JOURNAL

of the

SENATE

of the

GENERAL ASSEMBLY

of the

COMMONWEALTH OF KENTUCKY

Regular Session of 1962

Held in the State Capitol in the Capital City of Kentucky, at
Frankfort, in the Year of Our Lord 1962 and
in the One Hundred and Seventieth
Year of the Commonwealth

Begun on the Second Day of January, 1962, and Adjourned
Sine Die on the Sixteenth Day of March, 1962

FOREWORD

The Constitution requires each house of the General Assembly to keep a Journal of its proceedings. The Journal is intended to assure a public account of legislative activity and constitutes the final official record of action by the General Assembly.

Under the provisions of Section 6.161 and 6.162 of the *Kentucky Revised Statutes,* the Legislative Research Commission is responsible for comparing, editing, correcting, and publishing the Journals as approved by each house of the General Assembly. This volume represents the fulfillment of that obligation.

The text of a bill is spread in full when it receives a first reading. The roll call on passage of a bill is indicated upon its receipt of a third reading. Simple and concurrent resolutions are printed when adopted and joint resolutions are treated as bills. A table of actions on bills and resolutions is appended.

Mrs. Elizabeth Ashcraft prepared the 1962 Senate Journal, and Dr. Mary Clarke Santopolo edited the copy for the Legislative Research Commission. The index to this volume was prepared by Mr. Courtenay J. Walker, Administrative Assistant to the Director.

CHARLES WHEELER
Director

Frankfort, Kentucky

August 1, 1962

JOURNAL

OF THE

SENATE

OF THE

COMMONWEALTH OF KENTUCKY

REGULAR SESSION OF 1962

TUESDAY, JANUARY 2, 1962

FIRST LEGISLATIVE DAY

At a General Assembly of the Commonwealth of Kentucky, held at the Capitol in the City of Frankfort, and begun on January 2, 1962, the one hundred and seventieth year of the Commonwealth, in accordance with the provisions of the Constitution, the Honorable Wilson W. Wyatt, Lieutenant Governor of the Commonwealth, and President of the Senate, assumed the chair and called the Senate to order.

Prayer by the Reverend Herman Bowers of the First Baptist Church of Frankfort.

Mr. John W. Willis, Chief Clerk of the Senate during the last session of the General Assembly, read the following certificate from the Secretary of State:

I, Henry H. Carter, Secretary of State of the Commonwealth of Kentucky, do hereby certify that, according to the records in the office of the Secretary of State of the Commonwealth of Kentucky, and the best information obtainable, the attached is a correct list of the duly elected members of the Senate of the 1962 General Assembly of the Commonwealth of Kentucky.

Given under my hand and seal of office, this 2nd day of January, 1962.

Henry H. Carter
Secretary of State
Commonwealth of Kentucky

1. Fulton, Graves, Hickman, Marshall. George G. Brand, Democrat, Mayfield.
2. Ballard, Carlisle, Livingston, McCracken. Tom Garrett, Democrat, Paducah.
3. Caldwell, Calloway, Crittenden, Lyon, Trigg. George E. Overbey, Democrat, Murray.
4. Henderson, Union, Webster. J. Murray Blue, Democrat, Providence.
5. Logan, Muhlenberg, Simpson, Todd. Everett White, Democrat, Russellville.
6. Christian, Hopkins. Frederick E. Nichols, Democrat, Madisonville.
7. Allen, Edmonson, Warren. Rex A. Logan, Democrat, Smiths Grove.
8. Daviess, Hancock, McLean. Casper Gardner, Democrat, Owensboro.
9. Adair, Barren, Hart, Metcalfe. Richard L. Garnett, Democrat, Glasgow.
10. Breckinridge, Butler, Grayson, Ohio. Paul L. Fuqua, Republican, Hardinsburg.
11. Campbell. Lambert L. Hehl, Jr., Democrat, Fort Thomas.
12. Bullitt, Hardin, Larue, Meade, Spencer. J. D. Buckman, Jr., Democrat, Salt River.
13. Fayette. Shelby C. Kinkead, Democrat, Lexington.
14. Green, Marion, Nelson, Taylor, Washington. B. E. Hickerson, Democrat, Lebanon.
15. McCreary, Pulaski, Whitley. O. O. Duncan, Republican, Whitley City.
16. Clinton, Cumberland, Monroe, Russell, Wayne. Wm. C. Mann, D.C., Republican, Marrowbone.
17. Bell, Knox. Durham W. Howard, Republican, Pineville.
18. Boyle, Casey, Garrard, Lincoln. John W. Swope, Republican, Harrodsburg.
19. Clay, Jackson, Laurel, Owsley, Rockcastle. Fred F. Bishop, Republican, Teges.
20. Anderson, Franklin, Scott, Shelby. Marvin Edwards, Democrat, Lawrenceburg.
21. Harlan, Leslie. H. Nick Johnson, Republican, Harlan.
22. Jessamine, Madison, Mercer, Woodford. Spencer Lamar Cobb, Democrat, Nicholasville.
23. Letcher, Perry. Archie Craft, Democrat, Whitesburg.
24. Kenton. James C. Ware, Democrat, South Fort Mitchell.

25. Boyd, Johnson, Lawrence. George D. Conley, Democrat, Ashland.
26. Boone, Carroll, Gallatin, Henry, Oldham, Owen, Trimble. Alvin Kidwell, Democrat, Sparta.
27. Bath, Fleming, Mason, Menifee, Rowan, Wolfe. Ed J. Kelly, Democrat, Flemingsburg.
28. Bourbon, Clark, Estill, Montgomery, Powell. Herbert T. Derickson, Jr., Democrat, Stanton.
29. Floyd, Knott, Martin. Burnis Martin, Democrat, Prestonsburg.
30. Bracken, Grant, Harrison, Nicholas, Pendleton, Robertson. Wilson Palmer, Democrat, Cynthiana.
31. Pike. Tom Raney, Democrat, Pikeville.
32. Carter, Elliott, Greenup, Lewis. Bert Kiser, Democrat, Olive Hill.
33. Jefferson. Bernard J. Bonn, Democrat, Louisville.
34. Breathitt, Lee, Magoffin, Morgan. John Raymond Turner, Democrat, Jackson.
35. Jefferson. Martin J. Duffy, Jr., Democrat, Louisville.
36. Jefferson. Scott Miller, Jr., Republican, Louisville.
37. Jefferson. C. W. A. McCann, Democrat, Louisville.
38. Jefferson. Vernon C. McGinty, Republican, Louisville.

The following Senators produced their certificates of election, appeared before the bar of the Senate, and were administered their oaths of office by Judge Squire N. Williams of the Court of Appeals of Kentucky.

George Brand	Democrat	Mayfield
Tom Garrett	Democrat	Paducah
George E. Overbey	Democrat	Murray
J. Murray (Hunkie) Blue	Democrat	Providence
Everett White	Democrat	Russellville
Frederick E. Nichols	Democrat	Madisonville
Rex A. Logan	Democrat	Smiths Grove
Casper (Cap) Gardner	Democrat	Owensboro
Richard L. Garnett	Democrat	Glasgow
Paul L. Fuqua	Republican	Hardinsburg
Lambert Hehl, Jr.	Democrat	Fort Thomas
J. D. (Jiggs) Buckman, Jr.	Democrat	Salt River
Shelby C. Kinkead	Democrat	Lexington
Broadus E. Hickerson	Democrat	Lebanon
O. O. Duncan	Republican	Whitley City
Dr. Wm. C. Mann	Republican	Marrowbone
Durham W. Howard	Republican	Pineville

John W. (Billy) Swope	Republican	Harrodsburg
Fred F. Bishop	Republican	Teges
Marvin Edwards	Democrat	Lawrenceburg
H. Nick Johnson	Republican	Harlan
Archie Craft	Democrat	Whitesburg
James C. Ware	Democrat	South Fort Mitchell
George D. Conley	Democrat	Ashland
Alvin Kidwell	Democrat	Sparta
Ed J. Kelly	Democrat	Flemingsburg
Herbert T. Derickson, Jr.	Democrat	Stanton
Burnis T. Martin	Democrat	Prestonsburg
Wilson Palmer	Democrat	Cynthiana
Tom Raney	Democrat	Pikeville
Bert Kiser	Democrat	Olive Hill
Bernard J. Bonn	Democrat	Louisville
John Raymond Turner	Democrat	Jackson
Martin J. Duffy, Jr.	Democrat	Louisville
Scott Miller, Jr.	Republican	Louisville
C. W. A. McCann	Democrat	Louisville
Vernon C. McGinty	Republican	Louisville

The roll was called. All present.

The President announced that election of the Chief Clerk was in order. Senator Ware nominated the Honorable John W. Willis. Agreed by voice vote.

Mr. Willis appeared before the bar of the Senate and was administered the oath of office by Judge Squire N. Williams of the Court of Appeals. The President vacated the chair for the Clerk.

Senator Ware nominated the Honorable Alvin Kidwell, Senator from Gallatin County, President Pro Tempore of the Senate.

On roll call the vote was: Yeas, 26—Blue, Bonn, Buckman, Conley, Craft, Derickson, Duffy, Edwards, Gardner, Garnett, Garrett, Hehl, Hickerson, Kelly, Kinkead, Kiser, Logan, McCann, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware, White; Nays, 9—Bishop, Fuqua, Howard, Johnson, Kidwell, McGinty, Mann, Miller, Swope.

Senator Kidwell appeared before the bar of the Senate and was administered the oath of office by Judge Squire N. Williams of the Court of Appeals with the President of the Senate in the chair.

The following statements were received from Senator J. D. Buckman, Jr., Democratic Caucus Chairman.

January 2, 1962

Honorable Wilson W. Wyatt
President of the Senate
Capitol Building
Frankfort, Kentucky
Dear President Wyatt:

This communication will inform you that the Democratic Party members of the Senate, in caucus assembled, have elected the Honorable James C. Ware, Senator from the County of Kenton, as Majority Floor Leader of the Senate.

Sincerely,
J. D. Buckman, Jr.
Caucus Chairman

January 2, 1962

Honorable Wilson W. Wyatt
President of the Senate
Capitol Building
Frankfort, Kentucky
Dear President Wyatt:

This communication will inform you that the Democratic Party members of the Senate, in caucus assembled, have nominated the following Senate constitutional employees:

Chief Clerk	Senator John W. Willis
Assistant Clerk	Mary Elizabeth Lord
Enrolling Clerk	Elesteen Hager
Sergeant-at-Arms	Senator John Williams
Chief Door Keeper	Walter Eugene Armour
Janitor	Virgil Reynolds
Chief Cloak Room Keeper	T. L. Barnes
Pages	John A. Martin Lynn Harrod Rhorer Frank Newberry, Jr.

Sincerely,
J. D. Buckman, Jr.
Caucus Chairman

The following statement was received from Senator Scott Miller, Republican Caucus Chairman.

January 2, 1962

Honorable Wilson W. Wyatt
President of the Senate
Capitol Building
Frankfort, Kentucky
Dear President Wyatt:

This communication will inform you that the Republican Party members of the Senate, in caucus assembled on January 1, have elected Durham Howard as Minority Floor Leader, Scott Miller, Jr. as Caucus Chairman, and John W. Swope as Whip.

Sincerely,
Scott Miller, Jr.
Caucus Chairman

The above named Democratic officers appeared before the bar of the Senate and were administered the oath of office by Judge Squire N. Williams of the Court of Appeals.

Senator Ware moved that when the Senate adjourns today, it adjourn to meet again on January 3 at 10:00 a.m. Agreed.

Introduction of Resolutions

SR 1, by Senator Ware: A RESOLUTION extending an invitation to the pastors of Frankfort churches to open sessions of the Senate with prayer.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the Sergeant-at-arms be directed to invite the pastors of the various churches to attend the meetings of this Senate and open the sessions thereof with prayer.

Senator Ware moved the adoption of **SR 1.** Agreed.

SR 2, by Senator Ware: A RESOLUTION adopting temporary rules to govern the 1962 regular session of the Senate.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the rules adopted by the Senate for the Regular Session of 1960 be adopted as the temporary rules governing the Session beginning January 2, 1962.

Senator Ware moved the adoption of **SR 2.** Agreed.

SR 3, by Senator Ware: A RESOLUTION providing for a special committee to report on permanent rules.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the committee on committees is authorized and directed to appoint a special committee on rules to study and report on permanent rules for the 1962 Session of the Senate.

Senator Ware moved the adoption of **SR 3.** Agreed.

SR 4, by Senator Ware: A RESOLUTION directing appointment of a committee to notify the House of Representatives of the organization of the Senate and to wait upon the Governor.

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the President of the Senate appoint a committee to notify the House of Representatives that the Senate is organized and ready for transaction of business, and that this committee meet with a like committee to be appointed by the Speaker of the House, and that the joint committee notify the Governor of the Commonwealth of Kentucky that the 1962 Regular Session of the General Assembly of the Commonwealth of Kentucky is duly organized and ready to receive any message that he may desire to deliver.

Senator Ware moved the adoption of **SR 4**. Agreed.

The Lieutenant Governor announced the committee regarding Senate Resolution 4. The following members were named: Senators Blue, Bonn, Brand, Edwards, Howard, Kelly, Martin, and Palmer.

Senator Ware moved that the Lieutenant Governor appoint a committee to draft a proper resolution regarding the death of Senator Cobb. Agreed.

The following committee was appointed: Senator Garnett, chairman; Duffy, Derickson, Hickerson, Kinkead, Kiser, Nichols, and Miller.

Senator Ware moved that the Senate recess until 1:45 p.m. Agreed.

Senator Bonn reported that the Governor was ready to deliver his message at 2:00 p.m.

Senator Ware moved to recess and meet in joint session. Agreed.

The Joint Session was called to order by Lieutenant Governor Wilson W. Wyatt and the following address by his excellency Governor Bert Combs was heard.

Lieutenant Governor Wyatt, Mr. President Pro-Tem of the Senate, Mr. Speaker of the House, Members of the General Assembly:

First, may I congratulate you new members of the Senate and new members of the House who have been elected to serve the people of Kentucky, along with the old members who have returned.

Since I spoke to you in 1960, the face of Kentucky, the mood of Kentuckians, the spirit of the people—all have been deeply and significantly affected.

In a pressingly brief space of time, we had to prepare Kentucky for its place in the space age. We can be encouraged by our accomplishments so far.

At this point I would ask your patience with and considered judgment of those programs which are still in the development stage.

Your Lieutenant Governor and I were elected on a platform which had been submitted to and approved by the people. We have undertaken to carry out the programs pledged in that platform. More time is needed to complete some of the measures and to test others.

The sales tax, for example, has been in operation only 18 months. Its beneficial results are impressive, but we need more time to determine its long-range effects on the economy and social community of Kentucky.

It is tradition as you know that a Kentucky governor approaches the second legislative session of his term with some concern—perhaps apprehension. But I come with confidence today to report on the state of the Commonwealth and to join with you in officially opening what I believe will be a productive and historically significant session of the Kentucky General Assembly.

I feel that you and I can be justly proud of the report I make to you. It contains a two-year record of progress and accomplishment which in some respects has exceeded our expectations. I, like every other citizen of the state, owe a debt of gratitude to you, the members of the 1960 General Assembly, who helped shape and implement this program. I am confident that when the present session ends, the people of Kentucky will have cause to be grateful to you, the members of the 1962 General Assembly, because I am convinced that you will keep Kentucky on the progressive course charted two years ago.

Two years ago the problems we faced were the heavy accumulation of lingering needs, old wants, and long neglect. We had become accustomed to looking backward because the way ahead seemed too fraught with difficulties. We had become accustomed to hearing Kentucky spoken of as a problem state. We had become accustomed to the departure of Kentuckians for other states. Over the past quarter of a century we had lost four seats in Congress because of our failure to keep pace in population with the rest of the nation. We stood forty-eighth among the states in school support. Our teachers were leaving Kentucky, along with the children they taught, and for the same reason—more opportunity elsewhere.

Our school buildings were old, poorly equipped, overcrowded, and staffed with underpaid teachers in charge of oversized classes. In rate of income growth we lagged behind 43 states. Our highways discouraged the tourists we so desperately sought. Actual human want stalked counties in the coal fields throughout Kentucky. Our mental hospitals and social agencies were in desperate need of funds. Our parks lacked the housing and recreational facilities to accommodate our citizens and visitors. Our industrial development efforts were badly lagging. For too long we had depended on a hodgepodge tax system capable of producing revenue sufficient to finance only the meager essentials of government. We were resigned to being last in most of those endeavors usually associated with the word PROGRESS.

Today there is a new spirit in Kentucky. I believe people are beginning to see that we do not have to be a problem state. As was said by a conservative newspaper editor recently, "Kentucky's star is shining a bit brighter day by day, and to the other 49 states we are accepted as a community which looks to the future with optimism and confidence." For the first time in this century, Kentucky has received more national publicity for her progress than for her problems. Neighboring states are beginning to regard us with respect. We no longer live in the past. And if we do what we can and should do here now, Kentucky need never again be classed as a problem state. We have taken the offensive, and we can keep it. We are advertising Kentucky's business and tourist attractions to the world. Our rate of growth in personal income is double the national average. In highway construction, school building and support, rate of salary increases to teachers, and health and welfare programs, we are among the leading states of the nation. Kentucky is the first state to qualify for regulation of atomic materials for peaceful uses by private industry. The Attorney General of Kentucky has done an excellent job in that respect.

The new industrial research center at Lexington is attracting national interest. The new agricultural research center taking shape at the University of Kentucky will be one of the best in the nation. We are accelerating our geographic mapping program and expanding our vocational training.

Through laws passed in 1960, we have controlled strip mining without crippling this industry or destroying the jobs it provides.

We still need to expand our crafts program and to retain and find employment for unemployed workers in distressed areas. Quite frankly, this is one of the problems which remains unsolved. I direct your careful attention to it.

We have stepped up our agricultural and conservation programs. The output of our tree nurseries has been doubled and will double again this year. New soil control projects are under way. Forest fire control and prevention programs have been extended to 40 more counties, and the program is going forward.

Kentucky tourist and recreation programs have progressed at a rate never before equaled in Kentucky or perhaps in the nation. Kentucky is first among the states in turnpike construction. All contracts have been let and work is well in progress on the Eastern Kentucky Turnpike; contracts have been let on 40% of the Western Kentucky Turnpike, and we are currently studying plans for a Central Kentucky Turnpike from the vicinity of Elizabethtown to the Lexington area.

This past year we opened 75 miles of interstate highway, double the number of miles opened in all of the past. Highway construction contracts for $123 million have been let in the year 1961—the greatest amount ever spent in Kentucky in a single year and the third largest amount spent by any state.

While achieving this record on major highways, we have not neglected rural highways. In the last two years the Rural Highway Division has spent $34,728,000 in constructing, repairing and maintaining 17,196 miles of rural highways, bridges and culverts. This is the greatest rural highway program ever accomplished in a two-year period. It is dwarfed only by the magnitude of the interstate and turnpike systems. I know, as most of you know, the great importance of farm-to-market roads, and this program will receive special emphasis during the next two years.

Throughout state government, more work has been accomplished with smaller staffs. This is due primarily to the increased morale and efficiency that have resulted from the Merit System established by law by the 1960 Legislature. The Merit System is paying dividends to the taxpayers. The competence of state employees has been raised to the highest level in history because of improved methods and higher performance requirements. The Merit System is a good investment for the people of Kentucky.

Perhaps our most significant advancement in the last two years has been in the field of social progress. In education we have done more in less time than ever before in the history of the state. We made a greater proportionate increase in teachers' pay in 1960 than any state in the nation. One thousand twenty-five more teachers were employed in 1960 than the year before, and 80% of all school teachers are now college graduates, as compared to 63% five years ago. One hundred forty-two one-room schools were replaced by modern buildings. Bus service has been improved throughout the state. New classrooms, dormitories, laboratories and libraries have been added at the University of Kentucky and the state colleges. The new medical school at the University has been adequately financed.

Typical of the new programs in education is this: 24 new and larger bookmobiles last year delivered 20,000 more books to 96 of our counties. This activity has aroused the deepest interest among Kentuckians. Throughout the state people are showing a new interest and new pride in their schools and new concern for the quality of education for their children. They are demanding, and they have a right to demand, of course, that this increased school spending should produce the best possible education for the children of Kentucky.

You are aware of the recommendations of the Commission on Public Education created by the 1960 Legislature and perhaps of the Commission appointed by the Superintendent of Public Instruction. Later, I will suggest to you specific action on these recommendations.

Progress in social services has kept pace with that in education. Kentucky was the first state in the nation to establish a Department of Child Welfare. We have begun a program for the care and training of our mentally retarded children. Perhaps no other problem more desperately needs your attention. The Kentucky Training Home, which is almost within sight of where you sit, has had no substantial repairs for 150 long years. It is completely obsolete and completely inadequate to the needs of these unfortunate children. The institution is terribly overcrowded, with no possibility of providing assistance to some 2000 other children throughout Kentucky similarly handicapped. I hope it will be possible for every member of this assembly to visit and observe for himself the conditions which now exist in that facility.

We have started a program of medical assistance to the aged. We have increased assistance to the blind, the aged, the dependent children and the permanently and totally disabled. We have used state funds so as to obtain maximum use of federal money.

The new Human Rights Commission has helped to maintain Kentucky's excellent reputation for progressive race relations.

In mental health, Kentucky has continued to make progress.

In the field of public health, six new community hospitals were completed in 1961 at a cost of almost eight million dollars. One nursing home and nine new health centers were dedicated. Ten hospitals, 10 health centers and two nursing homes are now under construction. All of these projects have utilized federal funds.

Twelve million dollars have been committed to the expansion of our state park system. Eight parks have been completely made over. Three new parks have been added. Negotiations are in progress for the addition of three more. This program will give Kentucky the finest parks system in the world. It will not only be of tremendous value in building our tourist industry, but will place high quality, moderately-priced vacation and recreation facilities within easy driving distance of practically every Kentuckian.

Our roadside parks have never been in finer condition or more popular with travelers. More emphasis will be put on this program in January.

Our engineers have adopted a revolutionary technique of using highway fills as dams for lakes. This has attracted national interest. Ten new lakes have been added to our small lakes program, providing new recreational opportunities at minimum additional cost.

You probably know that some projects of our Kentucky beautification program have aroused considerable talk. Not everyone was entirely in accord about the floral clock when it was being built. But those critics who tossed slugs into the clock pool showed that they didn't know what time it was as regards Kentucky's tourist and recreational program. The clock, thanks to the publicity and the wishing well, is paying its way. More important, it has become an attraction of real pride to people throughout Kentucky and is a component part of the program that is making ours the most impressive State Capitol in the nation.

And here I would like to offer a suggestion. We have a program to beautify the capitol grounds, but one spot remains something of a problem, blocking traffic and the front view of the Capitol. I am talking about the statue of Governor Goebel. It has been suggested that the statue really belongs to the Old Capitol near where Goebel met death. And it would give added historical interest to the old building. The Old Capitol has been repainted. Needed repairs are being made to it and the grounds are being landscaped and beautified. There is a no more interesting historical museum in mid-America, and increasing numbers of visitors are coming to view it every month.

Our progress in airport construction is bringing modern transportation to every corner of the state. In the year 1960, twenty-eight airport projects were undertaken and 15 new airports were opened. More progress was made in this field than in the preceding 12 years.

The Veterans Bonus Division has certified for payment more than 305,000 claims. The last date for filing claims was December 31, and we anticipate that all valid claims will be paid before the end of this year.

These programs have not been advanced without protest. There have been criticisms: "Pennies for Bertie" is a phrase common to Kentucky children. Although my family received more Christmas cards this year than ever before, we received one card with three pennies in it. I don't know what that proves, but I feel this way about it. Some small sacrifice is required if Kentucky is to maintain its place as a progressive state in this great nation. All of us must be prepared to take some punishment in order that our children may have the opportunities to which they are entitled. As for me, I take some comfort in the words of Lincoln to this effect: "If I were to try to read, much less answer, all the attacks made on me, this shop might as well be closed for any other business. I do the very best I know how—the very best I can; and I mean to keep doing so until the end. If the end brings me out all right, what is said against me won't amount to anything. If the end brings me out wrong, ten angels swearing I was right would make no difference."

Kentucky is a state of which we can be proud and for which no one need apologize, but we have got to recognize that we stand on the threshhold of this terrifying, fascinating and awesome age of space. We Kentuckians can not evade our appointment with history. Neither can we here today evade our responsibility to shape the future course of Kentucky.

Thanks to the sales tax, Kentucky has for the first time in this century enough money to make a brave advance in progressive government. As the tax becomes stabilized and the economy of Kentucky grows, there should be further reductions in the personal income tax. Without the sales tax, we would fall back into the old and desperate pattern of failure and neglect. Even with the tax, we have not a dollar to spare as we try to forge a pattern of government sufficient to meet the minimum requirements of our people. Those who would alter our tax structure should, for the sake of Kentucky's welfare, propose an alternate source of equal revenue.

I will submit to you proposed legislation to permit the reorganization of certain departments of state government. The main purpose is to improve the quality of service by grouping kindred activities. The effective date of any legislation in this field should, I think, be fixed at such time in the future as will permit an orderly transition of the functions of those departments affected.

It is probable that I will also recommend to you legislation in the field of education.

I expect to propose a system of two-year community colleges, to be activated when revenues will permit.

You will be asked to clarify the strip mine control law, especially in regard to the bonding provisions of the present law.

The need for more vocational training schools requires enabling legislation to permit the sale of bonds for vocational school construction.

I will recommend to you legislation to provide stricter regulation of industrial loan firms.

You probably will want to give your attention to the problem of automobile graveyards. These are legitimate business operations, and we have no desire to injure them, but until we protect our state's natural beauty from such desecration, we can not reap the maximum benefits from our efforts to beautify Kentucky.

Our election laws in regard to absentee voting are still inadequate, and I will recommend to you legislation in this field.

In my judgment, the office of Speaker of the House should be given more recognition. At the federal level and in most states, the Speaker of the House of Representatives is third in succession to the office of Chief Executive. I believe that your Speaker should be provided a permanent office and paid on a per diem basis for time spent on state business between legislative sessions. If the members of the House agree, I suggest that a resolution to this effect would be in order.

In a subsequent message, I will present to you a budget to cover the needs of government for the next two years. It will be a balanced budget, but there will be no fat in it. It will not require new taxes or increase in present taxes.

If necessary legislation is handled expeditiously, it is my opinion that Congressional resdistricting can be handled during this regular session. My hope is that it can be.

Legislative sessions, I know, are never completely devoid of political implications. Let me urge you, however, to join with me in declaring so far as is possible, a moratorium on politics during this session of the Legislature. If you will so cooperate, I assure you that this policy will be applied up and down and across the board to everybody. I promise that I will not let politics influence my conduct during this session. I have no further political aspirations, and I would suggest to you who do that you can best advance those aspirations by voting for those programs and issues which are in the best interest of the people of Kentucky.

A contest of the 18th Senatorial District seat has been filed in the Senate, I understand there is some concern that this contest might be decided on a political basis. If there is such concern let's put it to rest here and now. I am certain that I speak the sentiments of every Democrat in the General Assembly when I say to you that this contest ought to be and will be decided on its merits, fairly and impartially, with the members of the Senate sitting as presiding judges under sacred oath.

Section 38 of the Constitution of Kentucky provides that each house of the General Assembly shall judge of the qualifications and election of its members. Our highest court has held that a contest of a seat in this assembly can be tried only by that branch of the assembly in which the seat is contested. The courts of Kentucky have no jurisdiction. Any candidate for the General Assembly who considers himself aggrieved has the constitutional right to file a contest. On the other hand, no person is entitled to any preference by reason of political affiliation, personal friendship or otherwise. Any member of this assembly who would permit any such consideration to influence his vote in any manner is unworthy of his office. I have assured the holder of the seat being contested that I will do what I can to see that this contest is decided fairly and impartially on the law and the evidence. I now repeat the statement to all of the members of this assembly.

Let me say, too, that in my opinion it is impossible to give lip service to a program and then undermine it without the knowledge of the voters back home. Kentucky people insist on knowing the full details of their government. My program of taking government to the people has convinced me that you can not conceal the acts of government from them. I have tried to the best of my ability to keep the people informed. In addition to our program of taking the government to the people, I have appeared on broadcasts and televised press and interview programs as frequently as possible. I believe and I think you believe with Thomas Jefferson that the government that operates in the pitiless glare of full publicity serves best the interests of the people.

No act of government, no deal or contract or decision should be kept from the people. To further this goal of full and honest disclosure, I recommend that you appoint a committee on state government operations, including members of both houses of the Legislature, which will be charged during this session with conducting a thorough study of past and present governmental conduct and operations and of reporting directly to the people.

You and I have been invested by the people with the very grave responsibility of administering the affairs of their government for the next two years. By very large majorities, the General Assembly 1960 launched a brave and far-reaching program for progress in Kentucky. I submit to you and to my critics throughout Kentucky that we are entitled to a fair chance during the next two years to show that these programs will be good for the people of Kentucky.

The people under the Constitution are supreme. If they do not like the handiwork of this administration, they can elect public officials in 1963 who will turn their backs on what we have done and chart a different course for the Ship of State. In the meantime, I think and I believe the average person in Kentucky thinks that I am entitled to the benefit of the doubt. I think I am entitled to your cooperation wherever your conscience permits. I'll say to you in the words of Abraham Lincoln: "While the people retain their virtue and vigilance, no administration, by any extreme of wickedness or folly, can very seriously injure the government in the short space of four years."

I suggest to you that these affairs of government should be conducted by those of us who have been elected by the people for that purpose. To those who are tempted by the blandishments of backroom manipulations and self-appointed coordinators, I would remind you that these individuals have no responsibility to the people of Kentucky, whereas you and I are under sacred oath to conduct the affairs of the people to the best of our ability.

Of course, I am not blind and you are not blind to the facts of political life. You and I know that there are those who want to make this General Assembly a testing ground for missiles designed to be launched in the gubernatorial campaign of 1963. But you and I were not elected to be manipulated and controlled for the personal advantage of ambitious candidates. We were elected to do something constructive for the people of Kentucky and those who will follow us. But if the schemers insist on injecting the politics of 1962 and 1963 into the deliberations of this assembly, we will have no choice except to meet the challenge. I for one am willing to fight in every legitimate way—any time, anywhere—to prevent the destruction of those programs which I know are good for the people. And I have supreme confidence that when the issue is drawn, the people of Kentucky will reject those who would plunge Kentucky into the dark abyss of political plunder. I am confident the people will reject the schemes and manipulations of those who have and would give aid and comfort to corruptionists and to the underworld in parts of our state.

There is a vacant chair in this chamber. It has been left vacant by agreement of the leadership of the two houses out of respect to a deceased member, whose funeral will be held day after tomorrow.

Senator Spencer Cobb was a newly-elected member of this body. He suffered a heart attack Dec. 23 and was taken to a hospital in Lexington. Over the weekend it was suggested that perhaps I could come to the hospital on Monday to administer to him the oath of office. We had intended to do that, perhaps in the presence of the press and photographers. But he took a turn for the worse Sunday night, and early yesterday morning he insisted that I be asked to come immediately to administer the oath of office. I went straightway to the hospital and was taken to his room. When I told him I had come to officially swear him in as a member of this assembly, his face was transformed like a child's, his eyes lighted up, and he said in almost an inaudible voice, "Thank God you are in time." He raised his right hand and I did administer to him the constitutional oath. He then lowered his hand, leaned back in his bed, and with a smile said, "Now I am a Senator."

Here was a man looking into eternity, whose greatest wish—perhaps his last wish—was to die as an official member of this body. To Spencer Cobb, being a member of this assembly was more than an opportunity to exercise a temporary use of authority. Spencer Cobb had a sense of dedication, a willingness to sacrifice, and almost a reverence for the position of State Senator. To me his words, "Thank God—I am now a Senator," have a symbolic significance which all of us could well keep in mind during the trying days ahead. Anyone who is tempted to introduce a turkey bill ought to remember the dedication and the reverence for the office of State Senator which Spencer Cobb took to his death.

In conclusion let me remind you that Kentucky has now embarked on a decent, constructive, progressive program — a program which will enable us to leave to our children the heritage of a great state. There are those who say we have set for ourselves too high a goal; that we can not reach these ideals. But I would remind you, in the words of the poet, that "Ideals are like stars; you will not succeed in touching them with your hands. But like the seafaring man on the desert of waters, you choose them as your guides, and following them you will reach your destiny."

I say to you that by charting our course on the lodestars of decency and honesty and constructive thinking, and by following that course to the best of our ability, we will make it possible, not perhaps for ourselves to reach that destiny, but for our children to reach their destiny.

The President resumed the Chair.

Recess

Senator Ware moved that the Senate recess for ten minutes for the purpose of a committee meeting. Agreed.

The President resumed the Chair and announced the following committee to draft permanent rules for the Senate: Senator Kidwell, Chairman; Senators Ware, Buckman, Howard, Blue, Duffy, Kinkead, Miller and Turner.

Introduction of Bills

SB 1, by Senator Martin: AN ACT changing the classification of the City of Hindman, in Knott County.

SB 2, by Senators Johnson, McCann, Swope, Conley, Kiser, Kelly, Logan, Bishop, Martin, Hickerson, Miller, McGinty, Howard, Turner, Mann, Duncan, Craft, Fuqua, Overbey, Edwards, Gardner, Derickson, Buckman, Duffy, Brand, White, Blue, Raney and Palmer: AN ACT relating to Communists.

SB 3, by Senator Gardner: AN ACT relating to revenue and taxation, providing exemptions on certain items and commodities.

SB 4, by Senator Bishop: AN ACT relating to school age.

SB 5, by Senator Bishop: AN ACT relating to sick leave for teachers.

Senator Ware moved that the Senate adjourn until 10 a.m., Wednesday, January 3. Agreed.

WEDNESDAY, JANUARY 3, 1962

SECOND LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman Bowers of the First Baptist Church of Frankfort.

The roll was called. All present except Senators McGinty, Mann, and Brand, who were granted leave of absence on motion of Senator Ware.

Reading of Journal for January 2 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions and Communications

Senator Garnett moved to proceed with the contest case of Francis v. Swope, and the appointment of a committee. Motion was seconded by Senator Ware.

Senators Garnett and Miller acted as representatives of opposing parties.

The Chief Clerk drew nine capsules from a jar containing the names of all elected senators. The President opened the capsules and the names drawn were: Senators Bonn, Kinkead, Bishop, Conley, Brand, Garrett, Duffy, Craft and Kiser. These members formed the Contest Committee. The President ordered the committee to meet with the Chief Clerk, who delivered the contest material to them.

Introduction of Bills and Resolutions

SR 5, by Senators Ware, Hehl and Kidwell: A RESOLUTION endeavoring to persuade the Internal Revenue Service and the General Services Administration to select Northern Kentucky as the site for the Internal Revenue Service regional office.

WHEREAS, the citizens of Northern Kentucky are endeavoring to persuade the Internal Revenue Service and the General Services Administration to select that area as the site for the Internal Revenue Service regional office; and

WHEREAS, the location of such office will supply employment for fifteen hundred persons with a payroll of six million dollars annually; and

WHEREAS, the Northern Kentucky area has numerous appropriate sites for such an office along with a highly skilled labor force and professional talents; and

WHEREAS, the section can supply all public and private utilities, educational, recreational and cultural facilities for such an office and its employees; and

WHEREAS, the Northern Kentucky community is deserving of such an office which would contribute greatly to the solution of the unemployment problem throughout the area and Commonwealth;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Senate of the Commonwealth of Kentucky urge the Internal Revenue Service and the General Services Administration to select a Northern Kentucky site.

Section 2. That copies of this resolution be forwarded by the Clerk of the Senate to the Hon. Douglas Dillon, Secretary of the Treasury, Washington, D. C.; the Hon. Bernard Boutin, Director of the General Services Administration, Washington, D. C.; the Hon. Mortimer Caplin, Director of the Internal Revenue Service, Washington, D. C.; the Hon. Ernest Vaughn, Internal Revenue Service Regional Director, 230 East Ninth Street, Cincinnati, Ohio, and the Hon. William Haerr, regional manager, General Services Administration, Federal Building, Cincinnati, Ohio.

Section 3. That the Senate of the Commonwealth of Kentucky offer every aid to the citizens and officials of Northern Kentucky and to the officials of the federal government in expediting the construction of such a regional office.

Senator Ware moved the adoption of **SR 5.** Agreed.

SR 6, by Senator Ware: A RESOLUTION relating to adjournment of the General Assembly.

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That when the Senate and the House of Representatives adjourn on Wednesday, January 3, 1962, they adjourn to meet on Monday, January 8, 1962, at 8:00 P. M.

Senator Ware moved the adoption of **SR 6.** Agreed

SR 7, by Senators Garnett, Duffy, Hickerson, Kiser, Nichols, Kinkead, Miller and Derickson: A RESOLUTION honoring the memory of Spencer Lamar Cobb.

WHEREAS, Spencer Lamar Cobb, one of Kentucky's most loyal sons, has heeded the call of his Creator ending a life of faithful service which reflected the highest honor upon him and contributed immeasurably to the progress of this great state, and;

WHEREAS, the accomplishments and the services rendered to the citizens of this Comomnwealth were such that it is deemed fitting and proper that his memory be perpetuated by inscription of his biography upon the journals of the Senate and the House of Representatives as follows:

Spencer Lamar Cobb, member of the Senate, farmer, businessman, public servant, humanitarian, and a staunch practitioner of the democratic way of life, was born in Jessamine County, July 7, 1916, a son of the late Merritt Cobb and Mrs. Virginia Cobb. He was a member of the Mount Lebanon Methodist Church. After graduation from Nicholasville High School in 1935, he entered upon a lifetime of service to his community and state. He engaged himself in agricultural pursuits and throughout his life chose to be known only as a "farmer." He served as director of safety and personnel for the Hughes Transportation Company since 1956.

He was a firm believer in the exercise of the political rights conferred upon all men, and early assumed a position of leadership in his community, as President of the Young Democrat's Club of Jessamine County.

Senator Cobb married Miss Hazel Warner, and to this union there were two daughters born—Mrs. John Perry Blackford and Mrs. George Giles.

He served the people of the Commonwealth as an assistant director of motor transportation and as a member of the Governor's Safety Council. He was also a member of the Kentucky Motor Transportation Association, the American Trucking Association, the Council of Safety Supervisors, and the Federal Safety Council.

He was Post Master and Secretary of the Free and Accepted Masons, and a member of the Order of the Eastern Star, the Benevolent and Protective Order of Elks, a Kentucky Colonel, a member of the Central Kentucky Traffic Club, the Madison County Fish and Game Club, and the National Rifle Association.

Spencer Lamar Cobb was elected a Senator in November, 1961, and he so greatly desired to continue his services to the Commonwealth, although stricken repeatedly by illnesses in the last months of his life, that he requested the Governor of the Commonwealth to administer the oath of office to him as he lay upon his sick-bed. He was sworn a member of the Senate on January 1, 1962 and looked forward to service in that body, albeit unknown to him, his last hours were imminent.

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That when the Senate and the House of Representatives do this day adjourn they do so in memory of Spencer Lamar Cobb.

Section 2. That the General Assembly does hereby extend to the family of Spencer Lamar Cobb its profound and deepest sympathy and does commend the members thereof to Almighty God who is forever near to those who trust him for solace.

Section 3. That a copy of the Journals of the Senate and the House of Representatives wherein this resolution is recorded be presented to Mrs. Hazel Warner Cobb, Mrs. John Perry Blackford, Mrs. George Giles, Mrs. Virginia Cobb, Mrs. F. R. Cobb, and Mr. Clarence Cobb.

Senator Garnett moved the adoption of **SR 7.** Agreed.

The President named the following delegation to attend the funeral of Senator Cobb: Senators Kinkead, Kelly, Derickson, Edwards and Swope.

SR 8, by Senator Logan: A JOINT RESOLUTION relating to expenditures made for the passage of the call for the constitutional convention in the year 1960.

SB 6, by Senator Garnett: AN ACT relating to incorporation of municipalities.

SB 7, by Senator McCann: AN ACT relating to debtors' exemptions.

SB 8, by Senator Bishop: AN ACT relating to primary elections.

Senator Kidwell moved the adoption of the 1960 Rules, with the following changes by amendments. Said Rules were adopted, as amended, by voice vote.

RULES OF THE SENATE
1962 REGULAR SESSION
SESSIONS OF THE SENATE

Rule 1. Hours of Meeting. The Senate shall meet at 1:00 p.m., Eastern Standard Time, except on Monday, when it shall meet at 8:00 p.m., Eastern Standard Time. The official time shall be governed by the clock over the main entrance to the Senate Chamber.

Rule 2. Quorum. A majority of the Senators elected to the Senate shall constitute a quorum. If a quorum is not present at the time fixed for a meeting of the Senate, four Senators may adjourn or recess from day to day or from time to time and eight Senators may order a call of the Senate and send for absent Senators.

Rule 3. Call of the Senate. Upon a call of the Senate the Clerk shall call the roll, then call the absentees again. The doors of the Senate Chamber shall then be closed and the absentees not excused by the Senate may be sent for and arrested by the Sergeant-at-Arms. The Senate shall determine upon what conditions they shall be discharged from arrest. Senators who voluntarily appear shall be immediately admitted to the floor of the Senate and their names entered upon the Journal as present, unless the Senate otherwise directs.

Order of Business

Rule 4. Order of Business. The order of business shall be as follows:

1. Invocation.
2. Roll Call.
3. Reading and Approval of the Journal.
4. Motions, Petitions and Communications.
5. Reading of New Bills and Resolutions Introduced by Title and Sponsor.
6. Report of Committees.
7. First Reading of Bills.
8. Second Reading of Bills.
9. Orders of the Day.
10. Announcements.
11. Reference of Bills to Committees.

No more than thirty minutes shall be allotted to Motions, Petitions and Communications.

Rule 5. Unfinished Business. Unfinished business which was being considered upon adjournment shall have precedence in the class of business to which it properly belongs upon the next succeeding legislative day.

Motions

Rule 6. Reading of Motions. When a motion has been made and seconded, it shall be stated by the chair, or, being in written form, it shall be read by the Clerk before debate, amendment or motion concerning it shall be in order.

Rule 7. Withdrawal of Motions. Every oral motion after it has been stated by the President, and every written motion, bill, resolution or other paper, after it has been read by the Clerk, shall be the property and in possession of the Senate and shall not be withdrawn without consent of the Senate. Every written motion, report or measure may be committed or recommitted at the pleasure of the Senate.

Rule 8. Order of Questions. All questions, whether in Committee of the Whole or in the Senate, when not a privileged question, shall be propounded in the order in which they were moved, except that in filling blanks the smallest sum and the most remote date shall be put first.

Rule 9. Precedence of Motions. When a question is under consideration, no motion shall be in order except:

1. To fix the time to which the Senate shall adjourn.
2. To adjourn.
3. To take recess.
4. To lay on the table.
5. For the previous question.
6. To postpone to a fixed time.
7. To commit.
8. To amend.
9. To postpone indefinitely.

The above several motions shall have precedence in the order in which they are arranged and the first five of them shall not be debatable.

A second motion to adjourn, to take a recess, to lay on the table, for the previous question, to postpone to a time certain, to commit or to postpone indefinitely shall not be in order on the same day, upon the same question, and at the same status unless other business intervenes; provided, however, that amendments may be made to the time to which it is proposed to adjourn, to take a recess or to postpone.

Rule 10. Motion to Strike Out Enacting Clause. A motion to amend by striking out the enacting words of a bill or resolution shall have precedence over a motion to amend; and, if adopted, shall have the same effect as though the bill or resolution were regularly voted upon and rejected.

Rule 11. Motion to Adjourn. A motion to adjourn, to take a recess, or a motion to adjourn to a time certain, shall always be in order, except when a Senator is speaking, while a vote is being taken or when the Committee on Committees is reporting; subject, however, to the limitations set out in Rule 9.

Rule 12. Previous Question. When the previous question has been ordered, a vote shall be taken immediately upon the pending measure and such pending amendments as are in order. The effect of the previous question shall be to put an end to all debate; to prevent the offering of additional amendments and to bring the Senate to an immediate vote upon the measure and amendments aforesaid. The previous question may be ordered by a majority of the

Senators elected. On the call of the roll, no Senator shall be allowed to speak more than three minutes to explain his vote and shall not speak at all if the question is not a debatable question. After the previous question has been ordered, and before the vote upon the main question, the opponents of the measure shall have ten minutes, and proponents of the measure shall have ten minutes.

Rule 13. Motion to Separate Part of a Measure. A motion to commit, recommit, or postpone a part of a measure so as to separate that part of the measure from the remainder shall not be in order.

Rule 14. Motion to Reconsider. A motion to reconsider a vote shall be in order unless made by a Senator who voted upon the prevailing side of the question; nor shall such motion be in order unless made within two legislative days in which the Senate is in session next after the day the vote was taken; however, the motion to reconsider when coupled with the additional motion to lay that motion upon the table may be made by any Senator.

Rule 15. Postponement of Measures. When a measure shall have been postponed indefinitely it shall not be in order again during the session.

Rule 16. Reading of Pending Papers. Any pending bill, resolution, motion or report shall be read by the Clerk upon the demand of any Senator, but it shall not again be read on the same day unless so ordered by the Senate.

Rule 17. Nominations. In all elections a previous nomination shall be made.

Members

Rule 18. Attendance of Members. No Senator shall absent himself from a session of the Senate without leave from the Senate.

Rule 19. Decorum of Members. No Senator shall designate another Senator by name.

Rule 20. Call to Order. If any Senator, in speech or otherwise, transgress the rules of order or decorum, he shall immediately be called to order by the chair and shall take his seat. The Clerk shall reduce the objectionable words to writing and read them to the Senate. After hearing a short explanation from the Senator called to order, or upon the withdrawal of the objectionable language, the President may permit the Senator to proceed, or may compel silence upon him until the matter is disposed of. The ruling of the chair shall be subject to an appeal to the Senate. A Senator offending the Senate shall be liable to censure.

Rule 21. Debate. No Senator may speak more than once to the same subject until all Senators desiring to be heard have spoken, but nothing in this rule shall do away with the previous question if then in effect, nor permit debate on an undebatable motion.

No Senator shall speak more than thirty minutes in the aggregate on any question or measure, at the end of which period, or any portion thereof, the floor shall be returned to the President.

Rule 22. Members Shall Vote at Seats. A Senator shall vote only when at his seat or visibly approaching it.

OFFICERS AND EMPLOYEES

Rule 23. Duties of President. The President shall take the chair every day precisely at the hour fixed for the meeting of the Senate and, on the appearance of a quorum, shall cause the Journal of the preceding day to be read, unless the reading of the same is dispensed with by the Senate.

The President shall preserve decorum and order and, in the event of any disorder in the gallery or in the Senate Chamber, may cause the same to be cleared of any persons creating disturbances or disorders.

All writs, warrants, subpoenas, or other processes shall be signed by the officer who may be presiding over the Senate when the paper is issued; and his signature shall be attested by the Clerk, when ordered by a majority of the Senators.

Rule 24. Appeal from Decision of Chair. The President while presiding may speak to points of order in preference to Senators. He shall decide points of order and manner of procedure. If two or more Senators arise from their respective seats and address the chair, the President shall determine who was first and recognize him. Any decision made by the President shall be subject to appeal to the Senate. Every such appeal shall be in writing and signed by at least two Senators. During the pendency of any appeal to the Senate from a decision of the chair, the President shall vacate the chair and call the President Pro Tem to preside.

Rule 25. President Pro Tempore. If the President be called upon to administer the government or resign, die or be absent from the State, the President Pro Tem of the Senate shall have the rights and perform all the duties pertaining to the office of the President of the Senate. The President Pro Tem shall preside over the Senate in the absence of the President of the Senate. The President Pro Tem may designate any Senator to preside in the absence of both the President and President Pro Tem and to perform all duties of the President Pro Tem including duties as a member of the Committee on Committees. Such designation by the President Pro Tem may be made from time to time or for such duration of time as the President Pro Tem may designate and each such designation shall be in writing filed with the Clerk of the Senate.

Rule 26. Duties of Clerk. The Clerk shall have charge and supervision of all the clerical business of the Senate. He shall have charge of the Clerk's section of the Senate Chamber and shall see that no one is permitted therein except himself and those assisting him. Half an hour before the time fixed for the meeting of the Senate each day, the Clerk or one of his assistants shall be present at the Clerk's desk with the minutes of the preceding session for the inspection of any Member of the Senate.

The Clerk shall read to the Senate papers ordered to be read; call the roll and note and report the absentees when a call of the Senate is ordered; call the roll and note the answers of members when a question is taken by yeas and nays; assist the President in taking the count when any vote of the Senate is taken; notify committees of their appointment and business referred to them; attest all writs, warrants and subpoenas issued by order of the Senate; keep a calendar showing such bills as are entitled to their second reading each day, distinguishing between House and Senate bills; superintend the engrossing and enrolling of bills; certify to the passage of all bills and to the adoption of all joint and concurrent resolutions by the General Assembly; and make all reports to the House, unless otherwise ordered.

Rule 27. Journal of Proceedings. The Clerk shall cause to be kept the Journal of the proceedings of the Senate. The Clerk shall note upon the Journal all questions of order, together with the disposition of same, and the dates upon which all bills and resolutions were sent to committee and returned to the Senate. The Senate may correct errors in the Journal the day the Journal containing errors is presented to the Senate. No record which is in the hands of the Clerk and is required by law to be entered upon the Journal of the Senate shall be copied by any person until same shall have been entered upon the Journal and said Journal shall have been approved.

The Clerk shall transmit the Journal for each day as soon as it has been approved by the Senate to the Legislative Research Commission, which shall deliver it to the public printer. The Commission staff shall proofread and index the Journal upon return from the printer and make necessary typographical corrections.

Rule 28. Custody of Papers. The Clerk shall have custody of all records, papers and bills of the Senate and shall not allow them to be taken out of his possession without the leave of the Senate, unless to be delivered to the chairman of a committee to which they have been referred or to the public printer, and then he shall take a proper receipt therefor. He shall endorse on bills and papers brief notes of proceedings had thereon by the Senate and preserve the same in convenient files for reference.

Rule 29. Accounts of Expenditures. The Legislative Research Commission shall keep the accounts for pay and mileage of members, officers and attaches, and for printing and other contingent expenses of the House and Senate.

Rule 30. Printing of Senate Papers. The Clerk shall have supervision and charge of all printing done for the Senate and the public printer shall print only such documents and other matters as the Clerk authorizes. He shall report to the President, to be submitted to the Senate, every failure of the printer to execute work correctly and promptly.

Rule 31. Duties of the Sergeant-at-Arms. It shall be the duty of the Sergeant-at-Arms and Doorkeeper to exclude or remove all persons not entitled to the floor of the Senate. Fifteen minutes before convening of the Senate each day the Sergeant-at-Arms shall announce in a loud distinct voice: "All persons not entitled to the floor of the Senate under the rules thereof will now vacate the Senate Chamber." He shall then compel all persons who are not entitled to remain therein to leave the Senate Chamber and shall prohibit their entry until thirty minutes after the Senate has adjourned.

The Sergeant-at-Arms of the Senate, before any joint session is to be held, shall request the Sergeant-at-Arms of the House to arrange for the seating of the Members of the Senate in a body. The Senators will assemble in the Senate Chamber five minutes before the meeting of any joint session and go to the House in a body.

Rule 32. Conduct of Employees. All the constitutional employees of the Senate shall, one hour before the meeting of the Senate each day, report to the Clerk, who shall report to the Committee on Committees whether or not all of said employees are on duty. The Committee on Committees, whenever it deems it necessary, shall report to the Senate any dereliction of duty.

All other professional, clerical and other employees required by the Senate or any of its committees shall, as authorized by the Committee on Committees, be provided by the Legislative Research Commission and shall be under the general supervision of the Committee on Committees and the immediate supervision of the Director of the Commission. The Director of the Commission shall report any dereliction of duty by employees to the Committee on Committees of the Senate; and the Committee on Committees, whenever it deems it necessary, shall report to the Senate any dereliction of duty.

No officer or employee of the Senate shall receive any fee, tip or compensation from any Senator and violation of this rule shall be ground for dismissal.

Rule 33. Committee on Committees. There shall be a Committee on Committees composed of the President of the Senate, the President Pro Tem, the Majority Floor Leader and the Minority Floor Leader of the Senate and the Majority Caucus Chairman. The majority of said committee shall have full power to act on all matters referred to said committee either by these rules or by action of the Senate.

The President of the Senate shall be Chairman of the Committee on Committees, and in his absence the President Pro Tem shall serve as Chairman.

All Bills and resolutions, either joint or concurrent, shall, upon their introduction, be automatically referred to the Committee on Committees which shall refer same to the proper committee not later than the second day in which the Senate is in session after the date of introduction.

The Committee on Committees shall have supervision and control over all employees of the Senate, whether elected by the Senate or appointed by the Committee on Committees or otherwise, and the Committee on Committees shall see that they perform all of their duties to the Senate and the members thereof. The Committee on Committees is empowered to discharge any or all of said employees and officers except the constitutional officers of the Senate. The Committee on Committees shall appoint the members of all other standing and special committees and shall fill any vacancies thereon.

Rule 34. Standing Committees. The following shall be the standing committees of the Senate:

Committee on Committees
Administrative Agencies
Agriculture and State Fair
Appropriations
Atomic Energy
Aviation
Banks and Banking
Charitable, Penal and Reformatory Institutions
Child Welfare and Social Work
Classification of Towns and Cities
Compensation for Industrial Injuries
Constitutional Amendments
Courts and Legal Procedure
Criminal Law
Education
Elections and Redistricting
Enrollment
Executive and Legislative Affairs

Fish and Game
Forestry, State and National Parks
Higher Education
Insurance
Judiciary and Judicial Council
Kentucky Statutes No. 1
Kentucky Statutes No. 2
Labor and Manufacturing
Library and Historical Records
Mines and Mining
Motor Vehicles, Commerce and Common Carriers
Municipalities
National and Civil Defense
Public Health
Public Utilities
Regulation of Intoxicating Liquors
Revenue and Taxation
Rural Roads and Highways
Veterans' Legislation and Military Affairs
Ways and Means

Rule 35. Rules Committee. No bill shall be considered by the Senate during the last fifteen legislative days of the session of the Senate or during any special session except upon the recommendation or report of the Rules Committee previously obtained. The Rules Committee shall determine the order in which bills shall be taken up and considered during the last fifteen legislative days.

If and when the time be fixed for the sine die adjournment of the session of the General Assembly, the last fifteen legislative days shall be held and construed to mean the last fifteen legislative days next prior to the time so fixed. If the resolution be adopted for sine die adjournment within fifteen days of the time fixed for such adjournment, then the Rules Committee shall take charge for such lesser number of days as may remain from the time such resolution for sine die adjournment is adopted and the time fixed for such adjournment.

The Majority Floor Leader of the Senate shall act as chairman of the Rules Committee. The Majority Floor Leader of the Senate shall act for the Rules Committee in calling from committee any bills or resolutions and shall be recognized by the President for said purpose during all times that the Rules Committee is in charge. The President Pro Tem shall act as chairman in the absence of the Majority Floor Leader.

Rule 36. Committee on Conference. When a Senate bill has been amended in the House and the Senate refuses to concur in said amendment, or when a House bill has been amended in the Senate and the House refuses to concur in said amendment, and when neither will recede from such action, the Committee on Committees shall appoint a Committee on Conference to meet a like Committee from the House. The Committee on Conference shall confer with the House Committee and report back to the Senate within a reasonable time, in the same manner as reports are made for Senate bills. The conference report shall be voted upon, and if adopted the bill shall immediately be put upon its final passage.

Rule 37. Appointment of Committees. The Committee on Committees shall appoint the members of all standing and special committees and shall fill any vacancies thereon. The Committee on Committees shall select members distributed as equally as possible from among Congressional districts, and in proportion to the representation of each political party in the Senate.

Rule 38. Meetings of Committees. No committee except the Committee on Committees, the Committee on Enrollment, and a Committee on Conference between the House and Senate shall sit while the Senate is in session, unless by consent of the Senate. The Committee on Committees and Committee on Enrollment may report at any time except during a roll call or while a vote is being taken.

The Committee on Committees, in conference with committee chairmen, shall schedule a definite time and place for the meetings of each committee, such schedule to be posted in the Senate Chamber and published in the **Legislative Record.** A committee shall meet at the scheduled time and place so long as business is pending before the committee.

The Chairman shall keep a record of the attendance of members at meetings, which record shall be filed with the Clerk.

The Director of the Legislative Research Commission, under the direction of the Committee on Committees, shall assign a secretary to each committee and provide any professional, clerical or other employees required by any committee.

Rule 39. Committee Reports. Every Committee should report the disposition of every bill and resolution referred to it as promptly as possible. Upon the call of standing committees, the Clerk or the Chairman or ranking member of the committee may report the bill in the following manner:

"With the expression of opinion that the same should pass," or,

"With the expression of opinion that the same should pass, with the committee amendment attached thereto," or,

"With the expression of opinion that the same should pass, with the committee substitute attached thereto," or, "With the expression of opinion that the same should not pass," or,

"Without expression of opinion."

Rule 40. Majority and Minority Reports. It shall require a majority of the committee membership to report a bill favorably. The chairman shall keep a record of the vote of each member on the disposition of each bill, and shall report the total vote on each side to the Senate. The chairman may sign reports on behalf of a majority of the committee members and his signature shall attest to the action of a majority but shall not be construed as his personal approval or disapproval of the bill.

A committee report may be accompanied by a minority report, signed by those members who have dissented from the committee's report, and it shall be in order to move the adoption of the minority report as a substitute for a committee's report when the committee offers its report. It shall require a majority of the members elected to adopt the minority report. The committee's report shall always be read before the minority report is read.

Rule 41. Failure to Report. Whenever a committee fails or refuses to report within a reasonable time a bill submitted to it, the same may be called up by any Senator and considered as if it had been regularly reported if a majority of Members elected to the Senate concur therein.

Rule 42. Procedure in Committee. The rules of procedure in the Senate shall be observed in committee in so far as the same are applicable.

BILLS AND RESOLUTIONS

Rule 43. Form of Bills. All bills shall be typewritten, with one original and four distinctly legible copies. The original shall be the official bill, and shall be retained by the Clerk for the use of the Senate and House. The second copy shall be used for committees. The third copy shall be for the use of the press and shall be given to a person designated by the press club. The fourth copy shall be provided to the Legislative Research Commission; and the fifth to the bill drafting section of the Commission. All copies shall be backed with a protective cover as provided for this purpose by the Legislative Research Commission. The title of the bill, or a portion thereof, and the signature of the Senator introducing the bill shall be placed on the cover.

In all bills introduced, which seek to amend existing sections of the **Kentucky Revised Statutes**, any new matter contained therein shall be underscored, and when printed the matters so underscored shall be printed in italics; and when an amendment is made by the omission or elimination of matter in an existing law, the author shall indicate such omission by placing the material proposed to be eliminated in brackets, and the printer shall insert such brackets on the printed copy. The Committee on Committees shall refer to the Legislative Research Commission any bills not conforming with this format for revision as to form. The Enrolling Clerk in enrolling a bill which contains deleted material appearing in brackets shall strike over such deleted matter.

Rule 44. Introduction of Bills. Bills and resolutions may be introduced from the floor in the regular Order of Business or by filing them with the Clerk at any time that his office is open and before the Senate adjourns for the day. The Clerk shall number bills in the order received, record their introduction, and transmit a copy immediately to the Committee on Committees for reference to committee.

Rule 45. Reference of Bills. The Committee on Committees shall refer all bills to the proper standing committee not later than the second day in which the Senate is in session after the date of introduction. When a Senate bill has been amended in the House and has been returned to the Senate for concurrence in the amendment, it may be referred to a committee in the same manner as original bills are referred. Bills originating in and passed by the House when reported to the Senate shall be referred to the Committee on Committees and shall take the same course as other bills.

Rule 46. Printing of Bills. The Legislative Research Commission shall examine the form of all bills to ensure that they are free from errors of form or typography. If a formal change is necessary, the Commission shall request the sponsor of the bill to sign a form approving the specified changes. If a bill is found to be correct, or corrections have been approved, the Commission shall authorize its printing.

The Legislative Research Commission shall have printed two hundred copies of each bill or resolution carrying the force and effect of law introduced in the Senate and of each bill or resolution carrying the force and effect of law acted on by the House and reported to the Senate. Bills shall be printed in the order in which they are certified by committee and distributed to Members immediately upon receipt from the printer. No bill shall be copied or distributed by any person until the same shall have been printed and returned with the printed copies thereof to the Clerk.

Rule 47. Reading of Bills. If a bill be reported with the expression of opinion that it should pass, or without expression of opinion, a vote may then be taken on whether it shall be read at length and be placed on the Calendar, if a majority of the Members elected to the Senate shall concur therein. When reported favorably by the committee, the bill shall then be given its first reading at length and shall be placed by the clerk upon the Calendar to be kept by him, and shall then be entitled to its second reading the next succeeding legislative day.

Every bill shall be read at length on three different legislative days; but the second and third reading thereof at length may be dispensed with by a majority of all the members elected to the Senate and the bill read by its title.

Rule 48. Calendar. The Clerk shall keep a Calendar for each legislative day of the session showing the bills entitled to a second reading upon that day and shall post conspicuously the number of all bills recommended for said Calendar by the Rules Committee.

Rule 49. Orders of the Day. When a bill has had its second reading it shall be placed in the Orders of the Day, or be recommitted, and when next reached in the Senate it shall be ready for recommitment, or to be read a third time and placed upon its passage, and the President shall so announce to the Senate.

A bill may be recommitted or amended at any time before its passage. Bills shall be placed in the Orders of the Day in the order in which they have been given their second reading, and shall be taken therefrom in that order, unless otherwise ordered by a majority of Senators elected. When a Senate bill is in the Orders of the Day, it shall be in order on motion of the author to substitute an identical House bill which is in the Orders of the Day of the Senate.

Rule 50. Final Passage. When a Senate bill has been amended in the House and the Senate has concurred in the amendment, the bill as amended shall immediately be placed upon its passage.

Rule 51. Amendments to Bills. All amendments offered shall be on sheets with a proper heading printed in blank, furnished by the Clerk, and shall bear the signature of the Senators offering the same. All amendments shall give the proper page and line of the printed bill. Two copies of each amendment shall be introduced and the Clerk shall forward one copy to the Legislative Research Commission. No amendment shall be in order that is not germaine to the matter under consideration; and the President, when the question is raised, shall rule as to the admissibility of the proposed amendment, subject to appeal to the Senate.

Rule 52. Engrossment of Bills. Every Senate bill and joint resolution, together with the amendments thereto, which has been passed by the Senate and not subject to further amendment or motion, shall be engrossed by the Clerk and so certified by him, endorsing thereon the day of passage or adoption. The bill shall be delivered to the House in open session by the Clerk or someone designated by him, and House concurrence asked therein. A like procedure shall be observed toward House bills.

When engrossing a bill, the Clerk may incorporate amendments by means of typing only. When an amendment strikes out any part of the original it shall be indicated in the engrossed copy by one parallel line over the part to be stricken out, in such a way as not to render illegible the original words.

Rule 53. Enrollment of Bills. All Senate bills and resolutions which have passed both the Senate and the House shall be delivered by the Senate Clerk to the Enrolling Clerk, taking a receipt therefor, in the order in which passed. The Senate Clerk shall keep the number and title of all bills and joint and concurrent resolutions carrying the force and effect of law, passed by the House of Representatives and the Senate in a suitable record book attesting the fact and date of passage.

In the event a bill which originates in the Senate is amended by the House and the Senate concurs in the amendments proposed and adopted by the House, the Clerk of the Senate shall engross said amendments in the original copy of the Senate bill, attesting the same, before delivering the bill to the Enrolling Clerk of the Senate. The Enrolling Clerk shall then cause the original bill as attested by the Chief Clerk and the safety copy of the bill as delivered from the House to conform to each other by typing in indelible typewriter ink or by writing in red ink the amendments engrossed in the original bill in the safety copy. In cases of extreme emergency and during the last three days prior to sine die adjournment, where no correct printed copy is available, the Enrolling Clerk may enroll such bill or resolution by typing the same on safety paper or by enrolling the same in long-hand.

The original bill or resolution and a printed copy upon safety paper in the exact form as finally passed shall be certified to by the Enrolling Clerk and delivered to the Committee on Enrollment. The Committee on Enrollment and the Enrolling Clerk shall jointly compare the original bill with the enrolled copy, and if the enrollment is ascertained to be correctly done, the Committee shall report the same to the Senate. If any bill or resolution is found not correctly enrolled, it shall be returned to the Enrolling Clerk to be properly enrolled and delivered to the Committee on Enrollment as is first provided therein.

Rule 54. Signing of Bills. The Enrolling Clerk of the Senate shall deliver the original and enrolled copies of Senate bills and resolutions signed by the President to the Chairman of the Enrollment Committee of the House for presentation to the Speaker of the House for his signature. When signed by the Speaker of the House, the enrolled bill or resolution and the original copy thereof shall be returned by the Enrolling Clerk to the Clerk of the Senate who shall present the enrolled bill or resolution to the Governor for his approval and take his receipt for same.

Rule 55. Resolutions. Resolutions having the force and effect of law shall be treated and considered as bills in all respect under these rules.

VOTING

Rule 56. Roll Call. Any member, with a second, may demand a roll call on any matter pending before the Senate. The names of Senators shall be arranged alphabetically when taking a yea and nay vote.

Rule 57. Pairing. All pairs announced in the Senate shall be entered on the Journal.

Rule 58. Division of the Senate. If the President be in doubt as to the result of a viva voce, or a division demanded, the Senate shall divide. Those voting in the affirmative shall first rise and be counted, and the President shall announce the number of those so voting. Those voting in the negative shall then rise and be counted and the President shall announce the number so voting. He may appoint tellers to count those voting.

Rule 59. Adjournment Extending During Roll Call. When the roll is being called in taking a yea and nay vote, and the hour of an adjournment arrives, the same shall stand extended until after said yea and nay vote has been completed and the result announced.

PRIVILEGE OF THE FLOOR

Rule 60. Persons Entitled to the Floor. No person shall be permitted upon the floor of the Senate when in session except the present members of the General Assembly and all officers and employees of the Senate and members of the immediate family of Senators. Bona fide newspaper correspondents, designated in writing by the daily newspapers or press service they represent, shall be admitted to the floor when recommended by the Committee on Committees and shall be governed by the rules of the Senate and assigned by the Committee on Committees to a press section specifically set aside for them. The Clerk of the Senate shall provide proper identification for families of Senators. The doorkeepers shall not admit such person without proper identification.

Any person may be extended the privilege of the floor by invitation previously extended by a majority vote of members of the Senate, but such privilege shall be extended only for a specified time and purpose. No person who shall have been extended the privilege of the floor for a specified time shall engage in any activities for or against any bill, motion or other proceeding upon the floor of the Senate while in session. No privilege of the floor shall be granted to any registered or unregistered lobbyist or legislative agent if the same be known by the Senate, and it shall be the duty of any Senator having such knowledge to bring it to the attention of the Senate, and lobbying shall be grounds for revocation of this privilege.

A special section of the gallery shall be reserved for the guests of members, who shall be admitted upon presentation of an identification card. Senators may submit the names of guests to the Clerk, who shall read the names to the Senate.

Rule 61. Lobbying in Senate Chambers. No person shall engage in lobbying for or against any measure while the Senate is in session, or in recess, in any of the corridors or passages or in any of the rooms in that part of the Capitol assigned to the use of the Senate, and no registered lobbyist shall enter that part of the Capitol while the Senate is in session. This rule shall not be construed to prohibit the use of the corridors or passages in going to and from the Senate galleries by any person.

RULES

Rule 62. Jefferson's Manual. In the absence of a specific rule of the Senate, Jefferson's Manual of Parliamentary Practice shall govern the proceedings, except that in all cases where general parliamentary law provides for a rule of two-thirds, it shall mean in this Senate a majority of all the members elected thereto.

Rule 63. Change of Rules. The Rules of the Senate, after their adoption, shall not be altered, changed, amended, suspended or interrupted, unless the same be done by a majority of the members elected to the Senate. Whenever a rule is suspended, no measure shall be considered under suspension except the measure or measures in whose favor the suspension was invoked, and only for that day.

House Message

Announcing passage of **HR 5** and **SR 6.**

Senator Hehl moved the adoption of **HR 5.** Agreed.

HR 5, A CONCURRENT RESOLUTION memorializing the President of the United States to exercise his good offices in promoting the establishment in Newport, Kentucky, of a data processing center for the Internal Revenue Service.

WHEREAS, the Federal Internal Revenue Service plans to construct a data processing center at some presently undetermined location in the Greater Cincinnati Metropolitan Area, which includes the City of Newport, Kentucky; and

WHEREAS, the citizens of Newport, Kentucky, and of Campbell County have demonstrated that they are eager to make of their community a model of which they and this Commonwealth will be proud; and

WHEREAS, changing economic conditions have imposed a handicap on this community in its struggle for rejuvenation and revitalization; and

WHEREAS, Newport, Kentucky, is in the midst of a major urban renewal project being accomplished with assistance from the Federal Government, and the centrally located urban renewal land, which has already been cleared, constitutes an excellent site for the data processing center; and

WHEREAS, a labor force of sufficient strength exists within close proximity to the site in Newport, Kentucky, and it has been estimated that the data processing center will employ at least 1,800 persons; and

WHEREAS, not only Newport and Campbell County, but all of Kentucky, will benefit from the establishment of the data processing center within this Commonwealth;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the General Assembly of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. That the General Assembly is confident that the establishment of the Internal Revenue Service's data processing center in Newport, Kentucky, will aid that community in taking its place among those cities which provide not only for the welfare of the County of Campbell but of the entire Commonwealth of Kentucky as well.

Section 2. That the General Assembly memorializes the President of the United States to exercise his good offices in promoting the establishment in Newport, Kentucky, of a data processing center for the Internal Revenue Service.

Section 3. That the Chief Clerk of the House of Representatives shall send certified copies of this resolution to the President of the United States, each member of the Kentucky delegation in the Congress, and to the Director of the Internal Revenue Service, Washington, D. C.

Members of the Contest Case of Senators Francis and Swope were administered the oath of office by Judge Morris Montgomery.

Senator Ware moved that the Senate adjourn until 8:00 p.m., on Monday, January 8. Agreed.

MONDAY, JANUARY 8, 1962

SIXTH LEGISLATIVE DAY

The Senate was called to order by President Pro-Tem, Senator Alvin Kidwell.

Prayer by Major Virl Alley, The Salvation Army Chaplain, of Frankfort.

The roll was called. All present except Senators Derickson, Miller, Overbey and White, who were granted leave of absence on motion of Senator Ware.

Reading of Journal for January 3 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions and Communications

The Clerk read the following communication from Governor Bert T. Combs: TO THE SHERIFFS OF MADISON, JESSAMINE, WOODFORD AND MERCER COUNTIES:

Writ of Election

Notice of Special Election in 22nd Senatorial District of Kentucky

I, Bert Combs, by virtue of the power invested in me as Governor of the Commonwealth of Kentucky, do hereby declare that on Saturday, the 27th day of January, 1962, a Special Election shall be held in the 22nd Senatorial District comprising the Counties of Madison, Jessamine, Woodford, and Mercer, for the purpose of electing a Senator from that District to fill the vacancy caused by the death of Senator Spencer Cobb, all in accordance with Section 152 of the Constitution and Section 121.130 and other applicable sections of Kentucky Revised Statutes.

Done at Frankfort, Kentucky at 10:30 A.M., this fifth day of January, in the year of our Lord, one thousand nine hundred and sixty-two, and in the year of the Commonwealth, the one hundred and seventieth.

Bert Combs
Governor of Kentucky

Signed 10:35 a.m. EST
January 5, 1962

Introduction of Bills and Resolutions

SR 9, by Senator McCann: A JOINT RESOLUTION authorizing and directing the Legislative Research Commission to study the problem of teacher retirement.

SR 10, by Senator Ware: A JOINT RESOLUTION establishing a joint committee on State Government Operations and making an appropriation.

SB 9, by Senator Martin: AN ACT relating to absent voting.

SB 10, by Senator Garrett: AN ACT relating to police officers.

SB 11, by Senators Bishop, Howard, Swope, Duncan, Fuqua, Johnson, Mann, Miller and McGinty: AN ACT relating to the Veterans Bonus.

SB 12, by Senator Kelly: AN ACT relating to absent voting.

SB 13, by Senator Kelly: AN ACT relating to terms of circuit courts.

SB 14, by Senator Bishop: AN ACT relating to master commissioners of circuit courts.

Senator Ware moved that the Senate adjourn until 1 p.m., Tuesday, January 9. Agreed.

TUESDAY, JANUARY 9, 1962

SEVENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by Major Virl Alley, The Salvation Army Chaplain, of Frankfort.

The roll was called. All present except Senator Overbey, who was granted leave of absence on motion of Senator Ware.

Reading of Journal for January 8 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions and Communications

Senator Ware moved that the President appoint a committee to wait upon the Governor and to escort him to the House Chamber for the purpose of a Joint Session and to hear his message. Agreed.

The President appointed the following committee: Senators Nichols (Chairman), Garrett, Gardner, McGinty, Mann and Turner.

Recess

Senator Ware moved to recess and meet in Joint Session. Agreed.

The Joint Session was called to order by Lieutenant Governor Wilson W. Wyatt, and the following address by his excellency Governor Bert Combs was heard:

LIEUTENANT GOVERNOR WYATT,
MR. PRESIDENT PRO-TEM OF THE SENATE,
MR. SPEAKER OF THE HOUSE,
MEMBERS OF THE GENERAL ASSEMBLY,
AND MY FELLOW KENTUCKIANS:

I am grateful for another opportunity to discuss with you briefly some of the problems of the Commonwealth. I, like other citizens of Frankfort and of Kentucky, have a feeling of inferiority to be around the Capitol during a session of the Legislature, not being a member thereof. And I am always grateful for the opportunity to stay within the walls of these Assembly rooms, even for a brief time, to think about and discuss our problems.

It has been suggested that I have no other political ambitions, and actually I have said that, and for the most part that is true. But, if I would make a full confession I would have to admit to you that my real ambition is some day to sit as a member of this General Assembly.

I understand it was said of John Quincy Adams that he made a darn poor President but later a good member of Congress after the Congressional leaders had told him a few of the political facts of life. Not that the comparison is accurate, but I do think I have this in common: We do have a number of members of this Assembly who are perfectly willing to teach me the political facts of life.

This budget, in my opinion, is the most important one presented to any legislature in the last quarter of a century. If you approve this budget, you will have gone a long way in demonstrating that it is your desire to continue the ambitious and far-reaching programs initiated by the 1960 Legislature.

The appropriations I recommend to you will, for the most part, constitute only a logical continuation of present programs. It is, however, a continuation budget which will require additional money. That is particularly true in the field of education.

I think you agree with me that the average Kentuckian feels that education still is perhaps our most critical problem. I think you will agree with me that education is even more important now than ever before. I think it is even more true now than ever before that civilization itself is a race between education and catastrophe. And the words of Thomas Jefferson were never more true, that if you expect a nation to be ignorant and free, you expect something that never was and never will be.

The Minimum Foundation Program, higher education, the Medical Center at the University, the Agricultural Research Center at the University and the Library Extention Program have all been given particular attention. All of these programs need additional funds if we are to meet even a minimum number of the growing needs in these fields. Moreover, I think you will agree with me that a start must be made in educational television.

Minimum Foundation Program:

I think you will agree that it is the desire of the people that the Minimum Foundation Program for Education be fully financed. Appropriations to the Program in the 1960-62 budget were $199.1 million. Increases within the legal framework of this program during the 1962-64 biennium will require $221 million, an increase of almost $22 million. During the last biennium the average school teacher in Kentucky received for the first year an increase in salary of $900 per year; and for this present year an additional $200 per year. But, even so, our school teachers are still underpaid. And I say that not for the benefit of the school teachers but for the benefit of the children of Kentucky. It is my desire—and I know yours—that salaries for Kentucky school teachers shall reach the national average as soon as possible. This budget makes as much progress in that direction as anticipated revenues will permit.

Even though Kentucky in the year 1960 had the greatest increase in teachers' salaries throughout the nation, it is still a fact that we ought to remember that school teachers in Kentucky are still 38th in the nation in amount of pay. And, although we had—I think—the second greatest increase per capita in the nation, it is still a fact that Kentucky is 41st from the top in the amount of money that you and I pay for training and education of our children.

Higher Education:

We must also face up to the problem of providing college training for those Kentuckians who are capable and willing to attend college. Enrollment in our five state colleges and the University increased by more than 5,000 in the two-year period from September, 1959, to September, 1961. It is estimated that by the fall of 1963 there will be an additional increase of 5,800 students. This is an increase of nearly 11,000 students in a four-year period. But that is not only true in Kentucky, that is true throughout America. I heard President Kennedy say in Columbus, Ohio, over the weekend that by 1970 it is estimated there will be in America twice as many college students as there were in 1960. It is estimated that it costs $1650 per year to put the average Kentuckian in college and keep him there. And, of course, you know that the average income in Kentucky is less than $5,000 per year— considerably less. And so the average American, and particularly the average Kentuckian, is not able without some benefit to give his child a college education.

President Kennedy also said at Columbus that he would recommend to the national Congress legislation which would make it possible for every American capable and willing to attend college to have that opportunity. And so we in Kentucky must stay in position to take advantage of any federal programs in that field.

The presidents of our colleges and the president of our University, and those others responsible for the administrations of our state colleges and the University, are doing a tremendous job to make it possible for these young Kentuckians to enter college. I make no bones about saying our college presidents are doing an unusually good job in Kentucky but they are entitled to more help from state government if they are going to really do the job.

The appropriation to the five state colleges and the University for the present biennium is $36.6 million. I am recommending an appropriation for the next biennium of $47 million, an increase of $10.4 million. You might think that this is a substantial increase, and it is a lot of money, of course. But even so, in fairness to these gentlemen responsible for providing college training to our Kentucky youth, I think I ought to say to you that this is barely sufficient to provide the same standard of instruction presently offered and to give very modest salary increases to members of the faculty. Buildings and equipment are important and necessary but, in my judgment, it is even more necessary to provide something akin to appropriate salaries for the members of the teaching staffs in the institutions of higher learning in Kentucky.

Those are the people who determine the quality of the education our children are going to receive and those are the people who, even despite a modest salary increase, will have to make personal and financial sacrifices in order to stay in Kentucky. I think I ought to say that this increase will not permit the construction of any new buildings or facilities at any of the colleges or University. But, I would add that unless I misjudge the ability and ingenuity of our college presidents, this increase will permit the development of plans and programs for other buildings and facilities.

Certainly I for one, and I think you will agree, would not want the heads of the colleges and the head of the University to stop the great building programs which have gone forward in the last two years.

Medical Center:

All of you are interested in the University of Kentucky Medical Center. The building program for the center was started in 1956, and is now nearing completion. The facilities, which have cost approximately $27 million, will rank among the finest in the nation.

There are those who think the Medical Center assumed an unusually heavy burden in the form of a name. But, even so, it is a great Medical Center. And in that connection let me say that, in my judgment, it ought to be against the law to name a public facility in Kentucky for any politician unless he has become non-controversial. And that applies to Combs as well as to anybody else. And if you wait until we become non-controversial, you will probably wait until we are dead and then it won't be done at all.

I had the high privilege recently of being asked if I would want an important facility to be named for me in the State of Kentucky. Of course, I have as much ego as anybody else—probably more so—and I would like to see the name Combs over the stone of the doors of some of the public facilities of Kentucky. But if I really want that building to succeed, I know that I ought not to have it named for me. I know it will do better if it has the name of somebody who has made progress in Kentucky and has left footprints on the sands of time and now become a figure in history rather than a figure in controversy.

It is absolutely necessary, I think, that we provide adequate support to the Medical Center. The appropriation for the present biennium is $5.5 million. I am recommending to you an appropriation for the 1962-64 biennium in the amount of $13.2 million. Most of this increase will go for equipping and staffing a new hospital, which is a necessary part of the center.

Agricultural Research Center:

Kentucky is still an agricultural state, and we must finance adequate research as to new and expanded uses of the products of our farms. Two million dollars are being recommended to complete construction of the main facility of the Agricultural Research Center at the University of Kentucky. It is our hope that sufficient funds will be made available by future sessions of this Assembly to complete construction of the entire center as rapidly as is reasonably possible.

Library Extension:

A basic educational program which started late in Kentucky, but which has become very important, is the Bookmobile and library project. Through this program library services are now available to the people of 98 of our 120 counties. We are recommending $1,186,700 for the Library Extension program, which includes the Bookmobiles. This is an increase of $242,000 over the present biennium. This amount will make it possible to activate one new regional library in each year and to purchase a limited number of additional books.

It is not a spectacular program, perhaps, and hasn't received as much publicity as it should have received, but the fact remains that the cheapest and best way to educate the people of Kentucky, particularly those of us who did not receive as much formal education as we would have liked, is to get us to read books—books that contain the learning of the great men of the ages.

I believe it was Carlyle who said: "All that mankind has done, thought, gained or been: it is lying as in magic preservation in the pages of books." Thomas Jefferson said this: "Books constitute capital. A book lasts as long as a house, for hundreds of years. It is not, then, an article of mere consumption but fairly of capital, and often in the case of professional men, setting out in life, it is their only capital."

If we can cause Kentuckians to read more good books, we will have gone a long way toward improving the standards of our State.

This library program will be expanded to include at least seven more counties during this biennium. Miss Margaret Willis is doing an excellent job in administering this program. She deserves your support and the support of every Kentuckian.

Educational Television:

While educational television will never be a substitute for a dedicated school teacher, it can be used to improve the quality of teaching, especially in the field of adult education. The 1960 Legislature by resolution provided for a committee to make a study of this subject. The Speaker of the House of Representatives, Mr. Lowman, and Mr. Thomas Ray, a member in the last session, are chairmen of that committee. The Committee in its report has made strong recommendation that immediate steps be taken to provide for educational television in Kentucky and to contract for those channels necessary to carry out the program. A request has already been made for a network of eight channels considered necessary to establish an adequate program in Kentucky. Pioneer work in this field already has been done by some of our educators. This is especially true on the part of Superintendent Van Hoose in Jefferson County. It is probable that legislation will be enacted by the National Congress making available federal funds for those states which are able to qualify under this program. This is merely another instance of the importance of looking ahead in order that we may take advantage of federal programs.

A state-wide program for educational television can be financed by the issuance of revenue bonds, should you enact very minor enabling legislation. $50,000 is recommended in this budget for the Department of Education for preliminary planning. It is estimated that a revenue bond issue in the amount of $6 million to $8 million will be sufficient to implement this program in our state.

Homes for the Aged:

Of increasing concern throughout the state and the nation is the problem of providing adequate housing and allied services for our needy senior citizens. In my judgment this is one of the responsibilities of government. The federal government, through a number of programs, has made available low-interest loans to local non-profit agencies for the purpose of constructing or improving facilities for the aged. I suggest to you that the State of Kentucky should accept its share of the responsibility for housing our senior citizens and, should, of course, take full advantage of available federal funds. The recommended appropriation to the Department of Economic Security contains nearly $700,000 to be used principally for payments to those public assistance recipients who seek care in privately operated homes. We have recommended $150,000 for the establishment of a revolving fund from which loans can be made to those agencies which require such loans in order to qualify under federal programs. In my opinion the state of Kentucky should provide active leadership and technical assistance in the construction of sufficient adequate facilities for our senior citizens.

Mental Retardation:

In the field of mental retardation, the 1960 General Assembly made the first effort in a hundred years to cope with the total problem. A Division of Mental Retardation was created and assigned the task of developing an extensive program. As a result of the work of the Division and of the findings of a special committee, including the Majority Leader of the Senate and the Speaker of the House, which I appointed to study the problem, I am convinced that two things are required if we are to move ahead in this field. First, additional funds are absolutely necessary. Accordingly, I am recommending $4,405,000 for the biennium. That is more than double the amount we are now spending on this program. Second, a modern, progressive program must be developed. It is my recommendation that the Division of Mental Retardation and the Kentucky Training Home be placed within a new department, which shall include both Mental Health and Mental Retardation. Other departments having responsibilities for major phases of this program will be directed to continue and to increase their efforts. For instance, provision has been made for additional emphasis on the establishment of special classes for exceptional children within the elementary and secondary school system. That is a subject in which a great many people are interested. The Superintendent of Public Instruction has agreed to cooperate as fully as he possibly can in order that we may have classes throughout Kentucky for this type of child.

I again urge every member of this Assembly to visit the Kentucky Training Home and observe for yourselves, and I direct your very careful attention to this very serious social problem in Kentucky.

Again, this is not a spectacular program. These unfortunate children are even unable to tell you how great their need is. Most of them will be unable to thank you for what you have done for them. But it is a program which, if you direct your attention to it, will I think give you a great deal of satisfaction for having done it. It is written in the Book of Matthew: "Inasmuch as ye have done it unto one of the least of these, my brethren, ye have done it unto Me."

The overall industrial and economic development effort of state government must be continued, and this budget provides for that. Four areas in particular need shoring up. They are expansion of the arts and crafts industry, an inventory of our forest resources, further airport development, and new emphasis on vocational training.

Arts and Crafts Industry:

I said to you in my first message, and I am willing to admit now, that we have not yet found the answer to the unemployment problem in Kentucky, particularly the coal fields. Especially in the coal fields the number of unemployed has reached alarming proportions. Most of those people are unemployed merely because no jobs are available to them.

It is a responsibility of the national government and state government, I think, to provide leadership in this field. Lieutenant

Governor Wyatt and his department have done an excellent job in bringing industry into Kentucky. But it is an unfortunate fact that industry from out of state, when it comes to Kentucky, wants to come to those areas where living conditions are better, where the schools are better and recreational facilities are superior. And so it has been an unusually difficult job to get industry into these areas where unemployment is so great, and where basic community facilities are still underdeveloped.

A ray of hope has appeared in the form of the arts and crafts industry. Hundreds of people otherwise unemployed are now engaged at home in making baskets, rugs, candlesticks, chairs and dozens of other products for which there is an unusual demand. I propose in this budget the establishment of a revolving loan fund in the amount of $250,000 to be used for the purpose of providing capital for the further development of the arts and crafts industry in Kentucky.

We have here, I suggest to you, an industry in the beginning stage which can, if properly developed, bring a substantial income in sections of the state where income is so very desperately needed. The major problem today is the inability to secure sufficient capital through the usual financial channels. Centers for display and sale of these products can not ordinarily be constructed by the individual craftsman without financial assistance. The fund recommended in this budget would be used for loans for such purposes. I know of no other use of a like amount of money which could offer as significant a boost in the development of a new industry in Kentucky.

Forests Inventory:

A number of industrial firms have expressed interest, it is true, in locating wood-using industries in Kentucky, particularly in those areas where we have forest resources. But they have been deterred from coming to these areas by a lack of information concerning the quantity, quality and accessibility of our timber resources. The federal government is now prepared to spend more than $250,000 for an inventory of our forest resources. In order to obtain maximum benefits from the federal funds, it is necessary for Kentucky to provide an additional $120,000. This is included in my recommendations.

It might seem strange to you, as it does to me, that throughout all these years we have never really got an inventory of the forest resources in Kentucky. But that is absolutely true and we must, I think, at least know what we have in order to be able to say to industry: "We have this to offer in Kentucky."

Airport Development:

It is absolutely necessary, as I see it, that we continue to build airports in Kentucky. Whether we like them or whether we don't, or whether we ride them or whether we don't, the airplane is here to stay. And, although we have modern highways, we still can not have a progressive state unless we make provision for travel by airplane. $800,000 is recommended in this budget to continue this program which has made Kentucky a leader in this field throughout America.

Vocational Schools:

Kentucky is also leader among all the states in vocational training. And at this point I would like to commend those in charge of vocational training in Kentucky for an excellent job. Provision is being made to establish new vocational schools for Ashland, Harlan County, Hazard, Jefferson County, Madisonville and Somerset. That is where the people who know say they ought to be located.

Bonded Debt:

We must, of course honor the Commonwealth's debts. The debt service on general obligation bonds approved by vote of the people of Kentucky will amount to $17.2 million during the 1962-64 biennium. The funds allocated for debt service are shown as separate items in the budget, along with a detailed listing of all bonds outstanding. The indebtedness of our state, in comparison to our wealth and income, is comparatively small. The Commonwealth's credit was never better and I know that you want to keep in that way, and that we intend to do. The percentage of our General Fund budget required to retire bonded indebtedness is one of the very lowest in the entire nation. It amounts to only 3.7 per cent in the first year and 3.5 per cent in the second year of the coming biennium.

Revenues:

General fund revenues are expected to fall within the range of $228 million to $232 million in the first year of the biennium and between $240 million and $244 million in the second year. In biennium terms this is a range from $468 million to $476 million. This budget is based on the maximum figure plus the use of a surplus of $6 million anticipated at the end of this present fiscal year. The surplus will be derived as a result of rigid economies in government during the past year. The general fund budget total is $482 million.

Preparation of the Budget:

The preparation of this budget, as is always the case, was a complicated and difficult task. Kentucky is, as you know, a poor state in comparison to our neighbors. As our economy grows—and there has been a steady growth—the existing tax base will yield more revenue. But this is a gradual process, and we must proceed meanwhile in light of the funds which our present tax structure will provide.

To illustrate the limitations under which we operate, I would remind you that the budget requests submitted from departments of state government aggregated $530 million. Nearly all these requests—probably all of them—were very worthy requests and would be desirable if we had the money. But, looking at the revenue which we could justifiably anticipate, it was necessary to eliminate $46,700,000 in departmental requests.

I would like to say that those departments heads who made these requests, and who were denied, accepted the decisions in good grace and in a spirit of cooperation. But they were disappointed, of course, and I was disappointed, and I know you are disappointed that we can not adequately finance all the needs of our people.

The budget staff, under the capable direction of Bob Matthews and Budget Director Cornett, has worked long and hard to provide you with the information on which your decisions must be based. They have worked closely, as have I, with the various department, institution and agency heads. All have cooperated in presenting to you the best budget possible. Hearings have been complete and open, and the decisions have been made on information placed on top of the table.

Summary:

This is a conservative budget. It is a balanced budget, of course, and it is adequate to meet only the very minimum needs of Kentucky and its people. In it we have tried to put first things first, to give priority to those programs and those needs which have first claim upon the limited resources of the Commonwealth. It is not a completely inflexible budget because it would not have been wise to make it so. It contains a small contingency fund to meet unforeseen emergencies—a very minimum fund, I would say, for that purpose.

The Kentucky Constitution, as you know, requires that our budget be balanced—that expenditures be kept in line with revenues. And I believe, as I think you believe, in a strict construction of that section of the Constitution. In the event that unforseen reverses in the national economy should make reductions in this budget necessary, then the budget will have to be brought into balance by appropriate executive action. We trust and pray that will not be necessary. If it does become necessary, then I say to you that the reductions will be made fairly and equitably and after fair hearings to those concerned.

If there are those who have visions of a substantial surplus from one source or another, I must disillusion them. Funds derived from the sale of Veterans Bonus bonds not actually needed to pay the bonus will have to be used only for retirement of that particular bonded indebtedness. I understand that a bill was introduced last evening to extend the deadline for filing bonus applications. If it is the consensus of this body that such extension should be granted, I am glad to join with you in sponsoring such legislation.

In drafting and recommending to you this budget we have tried to combine progress with prudence—and humanity with solvency. I submit it to you as the best handiwork of which we are capable. It is your constitutional right to change it if you so desire. But, before you listen to those who would urge you to tinker and tamper with this item or that, let me implore you to keep in the foreground the standard of intellectual and political honesty required by the oath which you and I have taken. You must face, as honest and straight-thinking representatives of the people, this fact: if you increase any item in this budget, it is your obligation either to decrease some other item or to provide for additional revenues. Otherwise, you will be pushing our Commonwealth along the road toward fiscal irresponsibility.

I should also remind you that any reduction in the present tax structure is absolutely impossible if we are to maintain the total expenditures at the level recommended in this budget.

It is true that this is the biggest budget in Kentucky's history. But every budget, I think, that has ever been submitted has been bigger than the preceding one, and no doubt the one submitted to the next Legislature will be bigger than this one. That's just the way it is; we can not change the course of history. But this budget is one which the people have in effect requested. It will be my objective to explain this budget and the program which it represents to the people of Kentucky during the next two years of my term. And I would suggest that you do likewise.

My observation is that the people of this state know more about the fiscal affairs of their government than ever before, and I think they want to know even more. Teachers, farmers, labor, management and all other groups look for a reflection of their interests in the state's fiscal plan. They have a right to look there, and we should be able to assist them in identification of their interests. We should recognize that we will be judged on the informed evaluation of our fellow citizens.

Let me also urge you to act on this budget promptly since it establishes the framework for much of your remaining legislative business. I suggest that you consider it carefully and thoroughly—without indecent haste, yet with all diligent speed. My staff, myself, the personnel of the Department of Finance—especially of the Budget Division—and all other personnel of state government are available to answer your questions and provide any other assistance which you might desire.

The budget and revenue measures enacted by the General Assembly in 1960, it is said, constituted an historic turning point in Kentucky's progress. I ask you—in the name of our children and those who will come after them—to continue resolutely along that course.

The ship can not lie at anchor. We either sail into the wind or the tide will push us backward. The dogmas of the past are not sufficient compass points to chart a future course. As our case is new, so must we think anew and act anew to the end that we might build a greater Commonwealth and do our part toward the building of a greater America.

The President resumed the Chair.

The President announced the following committee assignments, a copy of which was distributed to each member of the Senate.

Committee on Committees

Wilson W. Wyatt, Chairman
Alvin Kidwell, Vice Chairman

J. D. Buckman
James C. Ware
Durham W. Howard

Agricultural and State Fair

Everett White, Chairman
Wilson Palmer, Vice Chairman

J. Murray Blue
George G. Brand
Herbert T. Derickson
O. O. Duncan
Marvin Edwards
Tom Garrett
Ed Kelly
Broadus E. Hickerson
Dr. William C. Mann
Alvin Kidwell
C. W. A. McCann

Administrative Agencies

Wilson Palmer, Chairman
Tom Garrett, Vice Chairman

Fred Bishop
Bernard J. Bonn
John W. Swope
Richard L. Garnett
J. D. Buckman
Durham W. Howard
Marvin Edwards
Alvin Kidwell
George E. Overbey
Tom Raney
Casper Gardner
James C. Ware

Appropriations

J. Murray Blue, Chairman
Tom Raney, Vice Chairman

Archie Craft
Martin J. Duffy, Jr.
Richard L. Garnett
Herbert Derickson
Tom Garrett
H. Nick Johnson
Alvin Kidwell
Shelby Kinkead
Vernon C. McGinty
Fred Nichols
Wilson Palmer

Atomic Energy

George D. Conley, Chairman
John W. Swope, Vice Chairman

J. Murray Blue
Bernard J. Bonn
George G. Brand
Casper Gardner
Tom Garrett
O. O. Duncan
Dr. William C. Mann
Rex A Logan
Tom Raney

Aviation

H. Nick Johnson, Chairman
James C. Ware, Vice Chairman

George G. Brand
Martin J. Duffy, Jr.
Marvin Edwards
Everett White
Alvin Kidwell
Shelby Kinkead
Casper Gardner

Banks and Banking

J. D. Buckman, Chairman
J. Murray Blue, Vice Chairman

Archie Craft
Martin Duffy
Paul L. Fuqua
Tom Garrett
Lambert Hehl, Jr.
Durham Howard
Ed J. Kelly
Shelby Kinkead
Rex A. Logan
Scott Miller, Jr.
John R. Turner
Everett White

Charitable, Penal and Reformatory Institutions

Marvin Edwards, Chairman
Vernon C. McGinty, Vice Chairman

Bernard J. Bonn
Fred Bishop
Alvin Kidwell
Shelby Kinkead
Bert Kiser
Fred Nichols
George E. Overbey
Tom Raney
John W. Swope

Child Welfare and Social Work

Dr. William C. Mann, Chairman
George D. Conley, Vice Chairman

Fred Bishop
Archie Craft
Herbert T. Derickson
Shelby Kinkead
Rex A. Logan
C. W. A. McCann
James C. Ware

Classification of Towns and Cities

O. O. Duncan, Chairman
Everett White, Vice Chairman

J. Murray Blue
Bernard J. Bonn
Ed J. Kelly
Bert Kiser
Dr. William Mann
Burnis Martin
John R. Turner

Compensation for Industrial Injuries

Bert Kiser, Chairman
Bernard J. Bonn, Vice Chairman

George G. Brand
Archie Craft
Martin J. Duffy
Tom Garrett
Nick Johnson
Burnis Martin
Scott Miller, Jr.
Fred Nichols
Wilson Palmer

Constitutional Amendments

Broadus Hickerson, Chairman
Fred Nichols, Vice Chairman

Fred Bishop
J. D. Buckman, Jr.
Herbert T. Derickson
Martin J. Duffy, Jr.
Richard L. Garnett
Tom Garrett
Shelby Kinkead
C. W. A. McCann
Tom Raney
John R. Turner

Courts and Legal Procedure

Scott Miller, Jr., Chairman
Martin J. Duffy, Jr., Vice Chairman

J. D. Buckman
Richard L. Garnett
Lambert Hehl, Jr.
Burnis Martin
John W. Swope
James C. Ware

Criminal Law

George E. Overbey, Sr., Chairman
Scott Miller, Jr., Vice Chairman

J. D. Buckman
Martin J. Duffy, Jr.
Richard L. Garnett
Tom Garrett
Lambert Hehl, Jr.
Burnis Martin
Fred Nichols
John W. Swope

Education

Fred Bishop, Chairman
Shelby Kinkead, Vice Chairman

Bernard J. Bonn
George Conley
Archie Craft
Herbert Derickson
Paul Fuqua
Richard L. Garnett
Lambert Hehl, Jr.
Broadus Hickerson
Dr. William Mann
Burnis Martin
Fred Nichols
James C. Ware
Everett White

Elections and Redistricting

Archie Craft, Chairman
Fred Bishop, Vice Chairman

Martin J. Duffy
Marvin Edwards
Richard L. Garnett
Ed Kelly
Fred Nichols
Everett White

Enrollment

Lambert Hehl, Chairman
Broadus Hickerson, Vice Chairman

Dr. William C. Mann

Executive and Legislative Affairs

Vernon C. McGinty, Chairman
George E. Overbey, Vice Chairman

J. D. Buckman
George D. Conley
O. O. Duncan
Marvin Edwards
Bert Kiser
Rex A. Logan
Burnis Martin
Wilson Palmer

Fish and Game

Burnis Martin, Chairman
George G. Brand, Vice Chairman

Archie Craft
Marvin Edwards
Broadus E. Hickerson
Durham W. Howard
Dr. William C. Mann
Wilson Palmer

Forestry, State and National Parks

Ed. J. Kelly, Chairman
Paul L. Fuqua, Vice Chairman

Fred Bishop
George G. Brand
Archie Craft
Herbert T. Derickson
Shelby Kinkead
Fred Nichols
George E. Overbey
Tom Raney

Higher Education

George G. Brand, Chairman
Durham Howard, Vice Chairman

Fred Bishop
B. J. Bonn
Marvin Edwards
Lambert Hehl
Ed J. Kelly
Alvin Kidwell
Rex A. Logan
Vernon C. McGinty
Tom Raney
John R. Turner

Judiciary and Judicial Council

Richard L. Garnett, Chairman
Lambert Hehl, Jr., Vice Chairman

J. D. Buckman
Martin J. Duffy, Jr.
Tom Garrett
Burnis Martin
Scott Miller, Jr.
Fred E. Nichols
George E. Overbey
John W. Swope
James C. Ware

Insurance

Durham W. Howard, Chairman
Ed J. Kelly, Vice Chairman

J. Murray Blue
Bernard J. Bonn
George D. Conley
Archie Craft
Martin J. Duffy, Jr.
Casper Gardner
Tom Garrett
Lambert Hehl, Jr.
H. Nick Johnson
Alvin Kidwell
Shelby Kinkead
Dr. William C. Mann
John R. Turner
James C. Ware

Kentucky Statutes No. 1

James C. Ware, Chairman
J. D. Buckman, Vice Chairman

Martin J. Duffy, Jr.
Richard L. Garnett
Alvin Kidwell

Kentucky Statutes No. 2

Alvin Kidwell, Chairman
Archie Craft, Vice Chairman

Bernard J. Bonn
Lambert Hehl, Jr.
Broadus E. Hickerson

Labor and Manufacturing

Tom Raney, Chairman
Burnis Martin, Vice Chairman

Fred Bishop
J. Murray Blue
Bernard J. Bonn
J. D. Buckman
Marvin Edwards
Paul L. Fuqua
Dr. William C. Mann
Scott Miller, Jr.
Fred Nichols
James C. Ware

Library and Historical Records

Rex A. Logan, Chairman
O. O. Duncan, Vice Chairman

George G. Brand
Herbert T. Derickson
Bert Kiser
Vernon McGinty
John R. Turner

Mines and Mining

Fred Nichols, Chairman
Casper Gardner, Vice Chairman

George D. Conley
Archie Craft
Paul Fuqua
Ed J. Kelly
Burnis Martin
Tom Raney
John R. Turner
Everett White

Motor Vehicles, Commerce & Common Carriers

Bernard J. Bonn, Chairman
Marvin Edwards, Vice Chairman

J. D. Buckman
O. O. Duncan
Tom Garrett
Broadus E. Hickerson
Durham Howard
Ed J. Kelly
Rex A. Logan
C. W. A. McCann
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National and Civil Defense

John W. Swope, Chairman
Rex A. Logan, Vice Chairman

J. Murray Blue
J. D. Buckman
Casper Gardner
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Bert Kiser

Public Health

C. W. A. McCann, Chairman
Dr. William C. Mann, Vice Chairman

Herbert T. Derickson
Marvin Edwards
Paul Fuqua
Bert Kiser
Vernon McGinty
John R. Turner
Everett White

Public Utilities

John R. Turner, Chairman
Herbert Derickson, Vice Chairman

George G. Brand
Marvin Edwards
Casper Gardner
Richard L. Garnett
Tom Garrett
Shelby Kinkead
Scott Miller, Jr.
Wilson Palmer

Municipalities

Casper Gardner, Chairman
C. W. A. McCann, Vice Chairman

George D. Conley
Marvin Edwards
Richard L. Garnett
Lambert Hehl, Jr.
Durham Howard
Shelby Kinkead
Rex A. Logan
Scott Miller, Jr.

Regulation of Intoxicating Liquors

Martin J. Duffy, Jr., Chairman
H. Nick Johnson, Vice Chairman

J. Murray Blue
J. D. Buckman
O. O. Duncan
Tom Garrett
Shelby Kinkead
Bert Kiser
C. W. A. McCann
Wilson Palmer
John R. Turner
James C. Ware

Revenue and Taxation

Shelby Kinkead, Chairman

John R. Turner, Vice Chairman

Fred Bishop
J. Murray Blue
Bernard J. Bonn
Archie Craft
Richard L. Garnett
Lambert Hehl, Jr.
Alvin Kidwell
Vernon C. McGinty
Scott Miller, Jr.
Tom Raney
James C. Ware

Rural Roads and Highways

Herbert T. Derickson, Chairman

Richard L. Garnett, Vice Chairman

Fred Bishop
Archie Craft
O. O. Duncan
Paul Fuqua
Lambert Hehl, Jr.
Durham Howard
Ed Kelly
Shelby Kinkead
Burnis Martin
C. W. A. McCann
Wilson Palmer
Tom Raney
Everett White

Veterans Legislation and Military Affairs

Tom Garrett, Chairman

Alvin Kidwell, Vice Chairman

Fred Bishop
J. D. Buckman
George D. Conley
Marvin Edwards
Paul L. Fuqua
Casper Gardner
Richard L. Garnett
Lambert Hehl, Jr.
Broadus Hickerson
H. Nick Johnson
Ed J. Kelly
Shelby Kinkead
C. W. A. McCann
Vernon C. McGinty
Burnis Martin
Scott Miller, Jr.
George E. Overbey
Tom Raney
John W. Swope
John Raymond Turner
Everett White

Ways and Means

Paul L. Fuqua, Chairman

Bert Kiser, Vice Chairman

Fred Bishop
Bernard J. Bonn
O. O. Duncan
Casper Gardner
H. Nick Johnson
Ed J. Kelly
George E. Overbey
John R. Turner

Introduction of Bills and Resolutions

SR 11, by Senators McGinty, Johnson, Swope, Fuqua, Bishop and Howard: A CONCURRENT RESOLUTION relating to the Veteran's Bonus Fund.

SB 15, by Senators Duffy, Bonn, McCann and McGinty: AN ACT relating to murder penalty.

SB 16, by Senator McCann: AN ACT relating to primary elections.

SB 17, by Senators Duffy, Bonn, McCann, Miller and McGinty: AN ACT relating to Commonwealth's attorney's assistants.

SB 18, by Senators Duffy, Bonn, McCann, Miller and McGinty: AN ACT relating to Commonwealth's attorney's stenographers.

SB 19, by Senator Bishop: AN ACT relating to public highway and contiguous land thereto.

SB 20, by Senator Ware: AN ACT authorizing and adding one additional judge to the circuit court for the Sixteenth Circuit Court District; establishing the divisions of said circuit court; providing for the appointment and election of the additional judge to said circuit court; and providing for the manner in which said court shall be held and the business therein conducted.

SB 21, by Senator Ware: AN ACT relating to partnerships and other unincorporated associations.

SB 22, by Senator Ware: AN ACT relating to Workmen's Compensation.

SB 23, by Senators Miller and McGinty: AN ACT relating to metropolitan sewer districts.

SB 24, by Senators Miller and McGinty: AN ACT relating to corporation taxation.

SB 25, by Senator Hehl: AN ACT relating to facsimile signatures.

SB 26, by Senators Kinkead, Miller, McGinty, Duffy, Gardner, Garrett, Conley and Hehl: AN ACT relating to the salaries of Local Government Employees.

SB 27, by Senator Miller: AN ACT relating to termination of parental rights.

Senator Ware moved that the Senate adjourn until 1 p.m., Wednesday, January 10. Agreed.

WEDNESDAY, JANUARY 10, 1962
EIGHTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by Major Virl Alley, The Salvation Army Chaplain, of Frankfort.

The roll was called. All present except Senators Conley and Duncan, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for January 9 dispensed with and the same approved on motion of Senator Ware.

Introduction of Bills and Resolutions

SB 28, by Senator Buckman: AN ACT relating to Workmen's Compensation.

SB 29, by Senator Buckman: AN ACT relating to primary elections.

SB 30, by Senator McCann: AN ACT relating to safety belts.

SB 31, by Senator Miller: AN ACT to provide for the creation and regulation of horizontal property regimes.

SB 32, by Senator Kelly: AN ACT relating to finance and revenue of cities of the first class.

SB 33, by Senators Miller and McGinty: AN ACT relating to finance and revenue of cities of the first class.

SB 34, by Senator Garnett: AN ACT relating to state property.

Reference of Bills and Resolutions

The Clerk announced that the following bills and resolutions had been referred:

Classification of Towns and Cities: **SB 1**
Judiciary and Judicial Council: **SB 2, SB 14, SB 17, SB 18, SB 20**
Revenue and Taxation: **SB 3, SB 24**
Education: **SB 4, SB 5**
Municipalities: **SB 6, SB 23, SB 26**
Courts and Legal Procedures: **SB 7, SB 13, SB 21, SB 22, SB 27**
Elections and Redistricting: **SB 8, SB 9, SB 12, SB 16**
Kentucky Statutes No. 1: **SB 10**
Veterans Legislation and Military Affairs: **SB 11**
Criminal Law: **SB 15**
Agriculture and State Fair: **SB 19**
Banks and Banking: **SB 25**
Kentucky Statutes No. 2: **SR 8, SR 9, SR 10, SR 11**

House Message

Announcing passage of **HR 9.**

Recess

Senator Ware moved that the Senate recess for the purpose of holding a meeting of the Committee on Committees. Agreed. At the appointed hour the President called the Senate to order.

The Committee on Committees reported that **HR 9** had been referred to the Committee on Appropriations.

Recess

Senator Ware moved that the Senate recess for the purpose of holding a meeting of the Committee on Appropriations. Agreed.

President resumes the chair.

Senator Ware moved that the Rules be suspended for the purpose of making Committee Reports. Agreed.

Report of Committee

Committee on Appropriations reported **HR 9** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HR 9, A JOINT RESOLUTION making an appropriation to the Legislative Research Commission for special expenses incurred in connection with sessions of the General Assembly and declaring an emergency.

WHEREAS, additional personnel are necessary to expedite properly the business of the Senate and the House of Representatives; and

WHEREAS, the present appropriation of the Legislative Research Commission is insufficient to provide adequate clerical services to the General Assembly;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

That there be appropriated out of the General Expenditure Fund to the Legislative Research Commission the sum of one thousand seven hundred and fifty dollars per calendar day during all regular and special sessions of the General Assembly. This appropriation shall be available for expenditure during the 1961-62 fiscal year.

WHEREAS, the General Assembly is now in session and it is necessary that these funds be available immediately, an emergency is declared to exist and this resolution shall become effective upon its passage and approval by the Governor, and shall be retroactive to include payment of compensation to such personnel from and including January 2, 1962.

Senator Ware moved that when the Senate adjourn, it adjourn until 10:00 a.m., January 11, 1962. Agreed.

Senator Overbey moved that the Rules be suspended for the purpose of introducing bills. Agreed.

Introduction of Bills

SB 35, by Senator Overbey: AN ACT relating to death penalty.

SB 36, by Senator Overbey: AN ACT relating to emergency vehicles.

Senator Ware moved that the Senate adjourn until 10:00 a.m., Thursday, January 11. Agreed.

THURSDAY, JANUARY 11, 1962
NINTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend J. W. Blaes, Pastor of the Antioch Church of Christ of Frankfort.

The roll was called. All present except Senators Duncan, Garrett, Howard, Overbey and Raney, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for January 10 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions, and Communications

The Clerk read the following communication from Governor Bert T. Combs:

January 11, 1962

The Honorable Wilson W. Wyatt
Lieutenant Governor
Commonwealth of Kentucky
Capitol Building
Frankfort, Kentucky

Dear Governor Wyatt:

This is your notification that I have appointed, as of April 28, 1960, as a member of the Public Service Commission, The Honorable Edward T. Breathitt, Jr., of Hopkinsville, Kentucky.

Inasmuch as KRS 278.050 provides that appointments by the Governor to the Public Service Commission shall be made with the advice and consent of the Senate, I request that you submit the name of Mr. Edward T. Breathitt, Jr., to the Senate, and request the concurrence of that honorable body in the appointment which I have made.

Cordially,
BERT COMBS
Governor

Senator Ware moved that the Senate concur in the appointment of Edward T. Breathitt, Jr. Agreed.

Introduction of Bills

SB 37, by Senator Bishop: AN ACT relating to jurors.

SB 38, by Senator Bonn: AN ACT relating to taxation.

SB 39, by Senator Bonn: AN ACT relating to taxation.

SB 40, by Senator McCann: AN ACT relating to the operation of motor vehicles.

Calendar

HR 9 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

House Message

Announcing passage of **SR 7, HR 10.**

Recess

Senator Kidwell moved that the Senate recess for ten minutes. Agreed.

President resumed the Chair.

Reference of Bills and Resolutions

The Clerk announced that the following bills and resolutions had been referred:

Compensation for Industrial Injuries: **SB 28**
Elections and Redistricting: **SB 29**
Motor Vehicles, Commerce and Common Carriers: **SB 30, SB 36**
Judiciary and Judicial Council: **SB 31**
Municipalities: **SB 32, SB 33**
Rural Roads and Highways: **SB 34**
Criminal Law: **SB 35**
Kentucky Statutes #1: **HR 10**

Senator Ware moved that the Senate adjourn until 8 p.m., Monday, January 15. Agreed.

MONDAY, JANUARY 15, 1962
TWELFTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend H. Ward Jackson of the Episcopal Church of Frankfort.

The roll was called. All present except Senators Conley and Overbey, who were granted leave of absence on motion of Senator Ware.

Reading of Journal for January 11 dispensed with and the same approved on motion of Senator Ware.

Introduction of Bills and Resolutions

SB 41, by Senators Duffy, McCann and McGinty: AN ACT relating to city-county boards of health in counties containing cities of the second class.

SB 42, by Senator Duffy: AN ACT relating to motor vehicles.

SB 43, by Senator McCann: AN ACT relating to motor vehicle registration.

SB 44, by Senator Hickerson: AN ACT changing the classification of the City of Campbellsville, in Taylor County.

SB 45, by Senator Ware: AN ACT relating to narcotic drugs.

SB 46, by Senator Ware: AN ACT relating to city-county boards of health in counties containing cities of the second class.

SB 47, by Senator Ware: AN ACT relating to sanitation districts.

SB 48, by Senator Ware: AN ACT relating to unclaimed dead bodies and parts thereof.

SB 49, by Senator Ware: AN ACT relating to barbiturate drugs.

SB 50, by Senator Ware: AN ACT relating to absent voting.

SB 51, by Senator Bishop: AN ACT relating to constables.

SB 52, by Senator Garnett: AN ACT relating to a Court sale of real property.

SR 12, by Senators Ware and Kidwell: A RESOLUTION extending congratulations and compliments to the counties of Kenton and Boone upon the 15th anniversary of the opening of the Greater Cincinnati Airport as a commercial airfield.

SR 13, by Senator Kelly: A CONCURRENT RESOLUTION honoring the memory of Luther K. Rice.

Recess

Senator Kelly moved that the Senate recess for five minutes. Agreed.

The President resumed the Chair.

Motions, Petitions and Communications

Senator Kelly moved the adoption of **SR 13.** Agreed.

SR 13, A CONCURRENT RESOLUTION honoring the memory of Luther K. Rice.

WHEREAS, Luther K. Rice, one of Kentucky's most distinguished sons, has heeded the call of his Creator ending a life of service which reflected the highest honor upon him and contributed immeasurably to the progress of this great state; and

WHEREAS, the accomplishments and the services rendered to the citizens of this Commonwealth were such that it is deemed fitting and proper that his memory be perpetuated by inscription of his biography upon the Journals of the Senate and the House of Representatives as follows:

Luther K. Rice, nationally known for his leadership in the beef cattle industry, was a native of Bourbon County, a member of the North Middletown Christian Church and a graduate of North Middletown High School.

A farmer and breeder of Shorthorn cattle and Southdown sheep, he was a co-founder of the Paris Stockyards Company in 1923 and retained part ownership in the firm until 1956. He was also a director of the Bourbon Beef Cattle Association, a former member of the State Board of Agriculture, and formerly served eight years as a deputy sheriff and four years as sheriff of Bourbon County.

He was a pioneer in the import and sale of Western ewe lambs in Kentucky.

Mr. Rice married Miss Idella Sparks.

On January 29, 1958, he was one of three Kentucky farmers to receive the Golden Sheaf Award for contributions to Kentucky Agriculture. Earlier, in 1955, he had bred and given to the University of Kentucky a Shorthorn steer which was reserve grand champion at the International Livestock Exposition at Chicago.

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That when the Senate and the House of Representatives do this day adjourn they do so in memory of Luther K. Rice.

Section 2. That the General Assembly does hereby extend to the family of Luther K. Rice its profound and deepest sympathy and does commend the members thereof to Almighty God who is forever near to those who trust him for solace.

Section 3. That a copy of the Journals of the Senate and the House of Representatives wherein this resolution is recorded be presented to Mrs. Idella Sparks Rice.

Senator Ware moved the adoption of **SR 12.** Agreed.

SR 12, A RESOLUTION extending congratulations and compliments to the counties of Kenton and Boone upon the fifteenth anniversary of the opening of the Greater Cincinnati Airport as a commercial airfield.

WHEREAS, the 10th day of January, 1962, marked the completion of fifteen years of operation of the Greater Cincinnati Airport as a commercial airfield, by Kenton County; and

WHEREAS, the activities of the Kenton County Airport Board have been continually directed toward the proper maintenance of that facility, and have caused the operations and services thereof to keep pace with the increasing demands of the surrounding metropolitan area; and

WHEREAS, the management of the airfield has recently announced that the Greater Cincinnati Airport is presently capable of handling super-sonic aircraft and awaits only the utilization of such aircraft by the various airlines, thus illustrating the constant preparedness and foresightedness of the people who are responsible for the operation of that great air terminal; and

WHEREAS, the construction of the Greater Cincinnati Airport is a tribute to the cooperative efforts of the citizens of Kenton and Boone counties with the state and federal agencies; and

WHEREAS, it is highly commendable that the citizens of Kenton and Boone counties have worked arm-in-arm for the efficient operation of the Greater Cincinnati Airport, which has resulted in great and lasting benefit to the citizens of the surrounding metropolitan area and to the people of the Commonwealth of Kentucky.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Senate of the Commonwealth of Kentucky go on record as extending their congratulations on behalf of the people of Kentucky to the citizens of Kenton County upon the fifteenth anniversary of the operation of the Greater Cincinnati Airport.

Section 2. That the Senate of the Commonwealth of Kentucky go on record as extending their compliments on behalf of the people of Kentucky to the citizens of Boone County upon the fifteenth anniversary of the Greater Cincinnati Airport's location within Boone County.

Section 3. That the Clerk of the Senate of the Commonwealth of Kentucky shall transmit copies of this resolution to the Fiscal Courts of Kenton and Boone Counties and to the editors of the Cincinnati Post-Times Star and the Cincinnati Enquirer.

Report of Committees

Committee on Kentucky Statutes No. 1 reported **HR 10** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HR 10, A JOINT RESOLUTION establishing a joint committee on State Government Operations and making an appropriation.

WHEREAS, the duties and proper functions of the General Assembly include the duty to study and review the operations, past and current, of all phases of state government; and

WHEREAS, the interests of the public and of constitutional government require that the public be fully informed as to the operations of state government; and

WHEREAS, the Governor in his message before the General Assembly of Kentucky requested the appointment of a joint committee on state government operations;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Committee on Committees of the House of Representatives and of the Senate, respectively, shall upon the passage and approval of this Resolution forthwith appoint a joint committee on state government operations to be composed of five members of the House of Representatives to be appointed by the Committee on Committees of the House of Representatives and four members of the Senate to be appointed by the Committee on Committees of the Senate. The Committee on Committees of the House of Representatives shall appoint as members of the Joint Committee four members of the majority party and one member of the minority party. The Committee on Committees of the Senate shall appoint as members of the joint committee three members of the majority party and one member of the minority party. The Committee appointed hereunder shall constitute a Committee of the General Assembly. The Committee when appointed shall elect its chairman from among its members.

Section 2. The Committee on State Government Operations shall investigate fully any phase or phases of state government that may appear to the Committee to require the attention of the General Assembly. The Committee shall determine the scope of and define the area or areas that it will study.

Section 3. The Committee appointed hereunder shall constitute a Committee of the General Assembly with all the powers granted by Section 39 of the Constitution and by Sections 6.072 and 6.080 of the Kentucky Revised Statutes. The Committee is hereby authorized to employ an attorney to assist in the conduct of any investigation and such secretarial help as it deems necessary.

Section 4. The Committee shall make its final report before date set for sine die adjournment and shall deliver copies of its report to the Legislative Research Commission for publication. The Committee may announce its findings through such other media of communication as it may determine.

Section 5. There is hereby appropriated out of the General Fund the sum of ten thousand dollars ($10,000) to carry out the purposes of this resolution. Any unexpended portion of this appropriation shall lapse to the General Fund as of the sine die adjournment of this session of the General Assembly.

Committee on Classification of Towns and Cities reported **SB 1** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 1, AN ACT changing the classification of the City of Hindman, in Knott County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Hindman, in Knott County, is such as to justify its being classified as a city of the fifth class.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The City of Hindman, in Knott County, is transferred from the sixth to the fifth class of cities.

Section 2. Whereas funds are now on deposit sufficient to provide for water and sewage systems, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

Orders of the Day

HR 9 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HR 9.** Agreed. On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Buckman, Craft, Derickson, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware. Nays 0.

HR 9 was passed and the title agreed to.

Senator Ware moved that the Senate adjourn until 1 p.m., Tuesday, January 16. Agreed.

TUESDAY, JANUARY 16, 1962
THIRTEENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend H. Ward Jackson, of the Church of the Ascension, Frankfort.

The roll was called. All present except Senator Overbey, who was granted leave of absence on motion of Senator Ware.

Reading of Journal for January 15 was dispensed with and the same approved on motion of Senator Ware.

Introduction of Bills and Resolutions

SB 53, by Senator Buckman: AN ACT relating to retirement systems for public employes.

SB 54, by Senator Gardner: AN ACT relating to public contracts.

SB 55, by Senator Kelly: AN ACT relating to costs and attorney's fees.

SB 56, by Senator Edwards: AN ACT relating to state officers and employes.

SB 57, by Senator Raney: AN ACT relating to marriage licenses.

SB 58, by Senator McCann: AN ACT relating to financial responsibility of motor vehicle operators.

SR 14, by Senator Johnson: A RESOLUTION relating to foreign spending.

Report of Committees

Committee on Municipalities reported **SB 26** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 26, AN ACT relating to the salaries of Local Governmental Employees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.620 of the Kentucky Revised Statutes is repealed.

Committee on Education reported **SB 4** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 4, AN ACT relating to school age.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 158.030 of the Kentucky Revised Statutes is amended to read as follows:

A "common school" is an elementary or secondary school of the state supported in whole or in part by public taxation. No school shall be deemed a "common school" or receive support from public taxation unless the school is taught by a qualified teacher for a term of eight or more months during the school year and every child residing in the district who is six years of age and over has had the privilege of attending it. Provided, however, that any child who is six years of age or who may become six years of age by December *31* [30] following the opening of school may enter school provided that he enters within thirty calendar days of the beginning of that school year, with the exception that in schools having mid-year promotions any child who is six years of age or who may become six years of age within thirty calendar days after the opening of the second semester may enter school at the beginning of that semester. Any child who becomes six years of age later than December *31* [30] following the opening of the school year shall not enter school during that year and in schools having mid-year promotions any child who becomes six years of age later than thirty days after the opening of the second semester shall not enter school during that semester.

Committee on Judiciary and Judicial Council reported **SB 18**, **SB 17** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 18, AN ACT relating to Commonwealth's attorneys' stenographers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 69.100 of the Kentucky Revised Statutes is amended to read as follows:

In counties having a population of 200,000 or over the Commonwealth's attorney shall appoint *four* [three] stenographers for terms of four years subject to removal at any time by the Commonwealth's attorney. *Three* [Two] of the stenographers shall do stenographic work and typewriting for the Commonwealth's attorney and perform other duties assigned to them by the Commonwealth's attorney. They shall each receive an annual salary of not less than $2700. One stenographer shall perform the duties of record clerk and shall receive an annual salary of not less than $3600. The salaries of all stenographers shall be payable out of the county levy in equal monthly installments and such salaries may be increased by the fiscal court in accordance with the provisions of KRS 64.520. The stenographers shall have the same power of administering an oath as a notary public.

SB 17, AN ACT relating to Commonwealth's attorneys' assistants.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 69.070 of the Kentucky Revised Statutes is amended to read as follows:

In counties having a population of 200,000 or more the Commonwealth's attorney shall appoint a first, second and third assistant Commonwealth's attorney for terms of four years each, but they may be removed at any time by the Commonwealth's attorney. In such counties where there are two or more criminal divisions of the circuit court, the Commonwealth's attorney may appoint, in addition to a first, second and third assistant Commonwealth's attorney, such other assistant Commonwealth's attorneys, not to exceed *seven* [four] or a total of *ten* [seven] assistant Commonwealth's attorneys, as the Commonwealth's attorney may deem necessary, one of whom shall act as secretary to the grand jury. The first and second assistant Commonwealth's attorneys shall each receive an annual salary of not less than $5,000 nor more than $6,000. Other assistant Commonwealth's attorneys in counties having two or more criminal divisions of the circuit court, shall receive an annual salary of not less than $4,800. Salaries of assistant Commonwealth's attorneys shall be payable in equal monthly installments out of the county levy. Such salaries may be increased by the fiscal court in accordance with KRS 64.520.

Calendar

HR 10, SB 1 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Senator Ware moved that the Senate adjourn until 1 p.m., Wednesday, January 17. Agreed.

WEDNESDAY, JANUARY 17, 1962
FOURTEENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend H. Ward Jackson, of the Church of the Ascension, Frankfort.

The roll was called. All present except Senator Howard, who was granted leave of absence on motion of Senator McCann.

Reading of Journal for January 16 dispensed with and the same approved on motion of Senator McCann.

Introduction of Bills

SB 59, by Senator Johnson: AN ACT proposing an amendment to the Constitution of Kentucky relating to equal rights.

SB 60, by Senator Ware: AN ACT relating to the Seal of the Commonwealth.

SB 61, by Senator Ware: AN ACT relating to Department of Military Affairs.

SB 62, by Senator Ware: AN ACT relating to Property and Rights of Persons in Armed Forces.

SB 63, by Senator Ware: AN ACT relating to "Detection of Deception Examiners," for licensing and regulating same.

SB 64, by Senator Ware: AN ACT relating to the fictitious report of the commission of a crime.

SB 65, by Senator Kelly: AN ACT relating to the policemen's and firemen's pension fund in cities of the third class.

Calendar

SB 26, SB 4, SB 18, SB 17 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HR 10 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HR 10.** Agreed.

On roll call, the vote was yeas 26—Blue, Bonn, Brand, Buckman, Craft, Derickson, Duffy, Edwards, Fuqua, Garnett, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, Kiser, McCann, Mann, Nichols, Overbey, Palmer, Raney, Turner, Ware, White, Nays 8—Conley, Duncan, Gardner, Johnson, Logan, McGinty, Martin, Miller.

HR 10 was passed and the title agreed to.

Report on Enrolled Bill

Committee on Enrollment reported that **HR 9** had been examined and found correctly enrolled. **HR 9** read at length, compared, and signed in open session by the President. **HR 9** ordered delivered to the House.

Orders of the Day

SB 1 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Martin moved the Previous Question on **SB 1.** Agreed.

On roll call, the vote was yeas 36—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 1 was passed and the title agreed to.

Senator Martin moved that the vote by which **SB 1** was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Overbey moved suspension of the Rules for the purpose of introducing bills. Agreed.

Introduction of Bills

SB 66, by Senator Overbey: AN ACT relating to property taxes.

SB 67, by Senators Raney, Kiser and Craft: AN ACT relating to the Department of Public Safety creating a Board of Boiler Rules.

Reference of Bills and Resolutions

The Clerk announced that the following bills and resolutions had been referred:

Kentucky Statutes #2: **SB 37, SB 48**
Municipalities: **SB 38**
Revenue and Taxation: **SB 39**
Criminal Law: **SB 40**
Administrative Agencies: **SB 41, SB 46, SB 47, SB 56**
Courts and Legal Procedure: **SB 42, SB 51, SB 52, SB 53, SB 55, SB 58**

Kentucky Statutes #1: **SB 43, SB 50**
Classification of Towns and Cities: **SB 44**
Public Health: **SB 45, SB 49, SB 57**
Labor and Manufacturing: **SB 54**
Judiciary and Judicial Council: **SR 14**

Senator Ware moved that the Senate adjourn until 1:00 p.m., Thursday, January 18. Agreed.

THURSDAY, JANUARY 18, 1962
FIFTEENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend H. Ward Jackson of the Episcopal Church of Frankfort.

The roll was called. All present except Senators Derickson and Duncan, who were granted leave of absence on motion of Senator Ware.

Senator Ware moved that the reading of the Journal for January 17 be dispensed with.

Senator Bonn moved to amend the motion of Senator Ware to dispense with the reading of the Journal for January 17. Motion was seconded by Senator Overbey.

Senator Ware withdrew his motion to dispense with the reading of the Journal and the Clerk read the Journal of January 17.

Senator Overbey moved that the Journal of January 17 be approved as read. Agreed.

Introduction of Bills and Resolutions

SB 68, by Senators Conley and Hehl: AN ACT relating to the adoption of codes and also revision of ordinances by reference.

SB 69, by Senator Miller: AN ACT relating to higher education.

SB 70, by Senator Ware: AN ACT relating to unemployment insurance, and declaring an emergency.

SB 71, by Senator Ware: AN ACT relating to title to contraband alcoholic beverages, and declaring an emergency.

SB 72, by Senator Ware: AN ACT relating to production by patients in institutions for the retarded.

SB 73, by Senator Ware: AN ACT relating to banking.

SB 74, by Senator Ware: AN ACT relating to trusts.

SB 75, by Senator Ware: AN ACT relating to banking.

SB 76, by Senator Ware: AN ACT relating to bank and trust companies.

SB 77, by Senator Ware: AN ACT relating to banks and trust companies.

SB 78, by Senator Ware: AN ACT relating to holidays.

SB 79, by Senator Kiser: AN ACT relating to passenger trains.

SB 80, by Senator Kiser: AN ACT relating to railroads.

SB 81, by Senator White: AN ACT relating to voter registration.

SB 82, by Senators Nichols, White and Blue: AN ACT relating to mosquito control.

SR 15, by Senator Johnson: A RESOLUTION requesting the Governor of Kentucky to supply the General Assembly with an itemization of sums spent by the Speaker of the House of Representatives and sources of such sums.

SR 16, by Senator Craft: A RESOLUTION extending congratulations to the City of Jenkins, Kentucky, for winning the 1962 Fisher Library Award.

SR 17, by Senator Martin: A JOINT RESOLUTION authorizing reimbursement to Frank DeRossett for funds expended by him to secure the appearance of witnesses for him in behalf of the Commonwealth in the case of *Commonwealth v. Marion Hatfield.*

SR 18, by Senators McCann and Gardner: A JOINT RESOLUTION directing that all lobbyists wear identification tags.

SR 19, by Senator Edwards: A CONCURRENT RESOLUTION relative to federal income taxation of the interest derived from public bonds.

Senator Johnson moved that **SR 15** be read at length. Agreed.

SR 15, A RESOLUTION requesting the Governor of Kentucky to supply the General Assembly with an itemization of sums spent by the Speaker of the House of Representatives and sources of such sums.

WHEREAS, it is reported that funds have been used by the Speaker of the House of Representatives, from several budget items in the 1960-1962 budget, and

WHEREAS, there are explained appropriations for the Speaker as for each other elected representative, and

WHEREAS, we strongly believe that the public has a right to know from what funds expenditures are made and for what purposes they are spent.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the Governor be requested to supply to both bodies of the Assembly an itemization of the public sums spent by the Speaker and the sources from which they came.

Senator Johnson moved the adoption of **SR 15.** Agreed.

Senator Craft moved that **SR 16** be read at length. Agreed.

SR 16, A RESOLUTION, extending congratulations to the City of Jenkins, Kentucky for winning the 1962 Fisher Library Award.

WHEREAS, the Book-of-the-Month Club, a national literary organization, established the Dorothy Canfield Fisher Library Award in 1959; and

WHEREAS, said award of five thousand dollars is bestowed each year upon the outstanding small library in the nation on the basis of the active support and participation by the community, service to the community free of charge, and availability of service to the community; and

WHEREAS, the great efforts of Mrs. William Ray Mullins, librarian, and her staff, and the efforts of the library board, and the active support of the community has caused the Jenkins Public Library of Jenkins, Kentucky to be selected as the 1962 recipient of the Dorothy Canfield Fisher Library Award as the outstanding small library in the nation.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Senate of the Commonwealth of Kentucky go on record as extending their congratulations and best wishes on behalf of the people of Kentucky to the City of Jenkins, Kentucky and to the Jenkins Public Library for having been selected as the recipient of the 1962 Dorothy Canfield Fisher Library Award of five thousand dollars, to be presented at Jenkins, Kentucky on April 8, 1962.

Section 2. That the Clerk of the Senate shall transmit copies of this resolution to the City of Jenkins and to the Jenkins Public Library.

Senator Craft moved the adoption of **SR 16.** Agreed.

Report of Committees

Committees on Courts and Legal Procedure reported **SB 42, SB 27, SB 13, SB 22** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 42, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Any person engaged in the business of storing or towing motor vehicles, shall have a lien on the motor vehicle, for the reasonable or agreed charges for storing or towing the vehicle, as long as it remains in his possession. If after a period of sixty days the reasonable or agreed charges for storing or towing a motor vehicle have not been paid, the motor vehicle may be sold to pay the charges after the owner has been notified by registered letter of the time and place of the sale.

SB 27, AN ACT relating to termination of parental rights.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The files and records of the Circuit Court during proceedings for termination of parental rights shall not be open to inspection by persons other than parties to such proceedings, their attorneys, and representatives of the Department of Economic Security except under order of the court expressly permitting inspection. Upon the entry of the final order in the case, the clerk shall place all papers and records in the case in a suitable envelope which shall be sealed and shall not be opened for inspection by any person except on written order of the court; provided that the representatives of the Department of Economic Security shall have access to the papers and records of the case without a written order of the court. No person having charge of any termination records shall disclose the names of any parties appearing in such records or furnish any copy of any such records, except upon order of the court which entered the judgment of termination, or as provided by KRS 199.630; however, this provision is not meant to prohibit the disclosure of facts necessary in order for a person to secure a court order for a copy of the termination order to be used in an adoption proceeding. The clerk of the circuit court shall set up a separate docket and order book for termination cases and these files and records shall be kept locked.

SB 13, AN ACT relating to terms of circuit courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 23.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) A term of court in any district may be extended if the business requires, but not so as to interfere with any other term in the district. Whenever it is necessary to transact the business, a special term may be held in any county, either by an order entered of record at the last preceding regular term in the county or by notice signed by the judge and posted at the courthouse door of the county for ten days before the special term is held. The order or notice shall specify the day when the special term is to commence, and shall give the style of each case to be tried, or in which any motion, order or judgment is to be made or entered at the special term, and no other case shall be tried, or motion, order or judgment entered therein, unless by agreement of the parties, but if all the cases on the docket are to be before the court at the

special term, a statement to that effect is sufficient without copying the entire docket in the order or notice.

(2) Whenever, in the opinion of the regular judge, there is such a congestion of the civil or criminal docket in the court that it cannot be disposed of by the court at its regular terms, or at a special term called and held under subsection (1) of this section, the judge may, by order entered of record at a regular term of the court, call a special term of court to be held while a court is, or may be, in session in the same or some other county in the district. Every order calling such special term shall specify the day when the special term shall commence and the time it shall continue, and shall give the style of each case to be tried, or in which any motion, order or judgment may be made or entered at the special term, and no other case shall be tried, motion made, or order or judgment entered therein in any case, even by agreement of the parties, except upon direction of the Chief Justice as provided by KRS 23.120, but if all the cases on the docket are to be before the court at such special term, a statement to that effect is sufficient without copying the entire docket in the order.

(3) *Whenever, in the opinion of the regular judge, he shall deem it more efficient and expeditious to the conduct of the business of the court, the regular judge may, by an order entered during the regular term, extend the said term of court to conclude at any time to and including the date for the convention of the next regular term of court in that county, even though terms of court may be in session in another county or counties of the same district, either in regular term or as extended under this section, but in the assignment of cases, preference shall be given to the court which is in regular term. During this term, or as extended, all matters on the civil and criminal dockets shall be before the court, and the grand and petit juries selected for the regular term may be recessed and reconvened at any time during the term, or the extension of the term. The said order providing for the said extension may provide that all terms occurring after the order, and until such time as the order is revoked, shall be so extended, and a copy of the order shall be furnished by the clerk of the court to the Department of Finance, the clerk of the Court of Appeals, and to the administrative director of the Court of Appeals. Nothing in this section shall be construed as requiring any judge to so extend the regular terms of court in the district, but as permissive and enabling.*

SB 22, AN ACT relating to Workmen's Compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 342.285 of the Kentucky Revised Statutes is amended to read as follows:

(1) An award or order of the board as provided in KRS 342.275, if application for review is not filed as provided for in KRS 342.280, shall be conclusive and binding as to all questions of fact, but either party may, within twenty days after the rendition of such final award or order of the board, by petition appeal to the circuit court that would have jurisdiction to try an action for damages for the injuries if this chapter did not exist, for the review of such order or award, the board and the adverse party being made respondents. *The board shall be named respondent as the Workmen's Compensation Board, and service shall be had on the Executive Secretary.*

(2) The petition shall state fully the grounds upon which a review is sought, and assign all errors relied on. Summons shall issue upon the petition directing the adverse party to file answer within fifteen days after service thereof and directing the board to send its entire original record, properly bound, to the clerk of the circuit court, after certifying that such record is its entire original record, which shall be filed by the clerk of the circuit court and such record shall then become and be considered by the circuit court on the review.

(3) No new or additional evidence may be introduced in the circuit court except as to the fraud or misconduct of some person engaged in the administration of this chapter and affecting the order, ruling or award, but the court shall otherwise hear the cause upon the record as certified by the board and shall dispose of the cause in summary manner, its review being limited to determining whether or not:

(a) The board acted without or in excess of its powers;
(b) The order, decision, or award was procured by fraud;
(c) The order, decision, or award is not in conformity to the provisions of this chapter; and

(d) If findings of fact are in issue, whether such findings of fact support the order, decision or award.

(4) The board and each party may appear in such review proceedings; the court shall enter judgment affirming, modifying or setting aside the order, decision or award, or in its discretion remanding the cause to the board for further proceedings in conformity with the direction of the court. The court may, before judgment and upon a sufficient showing of fact, remand the cause to the board.

Committee on Banks and Banking reported **SB 25** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 25, AN ACT relating to facsimile signatures.
Be it enacted by the General Assembly of the Commonwealth of Kentucky:

On any bond, note or debenture issued by a corporation, charitable or religious institution which is countersigned or otherwise authenticated by the signature of the officers of the corporation, or the trustee of a charitable or religious institution, acting in connection with the issuance, the signature of the officers of the corporation and its seal, or the signature of the trustee of a charitable or religious institution may be facsimiles. In case any officer or trustee who has signed or whose facsimile signature has been placed upon a bond, note or debenture shall have ceased to be such officer or trustee before such bond, note or debenture is issued, it may be issued by the corporation and charitable or religious institution with the same effect as if he were such officer or trustee at the date of its issue.

Committee on Municipalities reported **SB 6** with the expression of opinion that same should pass with Committee Amendment attached thereto.

Said Committee Amendment is as follows:

"Amend printed copy of Senate Bill 6, on page 1, line 4, by: deleting the following words: 'of the first or second class'."

SB 6 read at length for the first time and ordered placed in the Calendar.

SB 6, AN ACT relating to incorporation of municipalities.
Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 81.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) No city may incorporate within three miles of the boundary of any city of the first or second class. Beyond this limit a city may be incorporated by a minimum of twenty-five people.

(2) No area adjacent to any state or federal maintained highway may be incorporated without a minimum of 250 people.

(3) The boundaries of any city when incorporated shall not exceed one-half mile in each direction.

[No city may be incorporated unless at least 125 inhabitants reside within the boundaries proposed to be established for the city. The boundary of any city, when incorporated, shall not exceed one-half mile in each direction, the form of the city being square, except that any incorporated taxing district having by its charter a grant of municipal powers and exercising them, and having at least 250 inhabitants residing within the boundary proposed to be established for the city, may be incorporated as a city with its present territorial boundaries.]

Orders of the Day

SB 26 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **SB 26.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Buckman, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Logan.

Senator Kinkead moved that the vote by which **SB 26** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 4 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Bishop moved the Previous Question on **SB 4.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 0.

Senator Bishop moved that the vote by which **SB 4** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 18 taken from Orders of the Day. Senator Ware moved that consideration of **SB 18** be deferred and that it retain its place in Orders of the Day. Agreed.

SB 17 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 17.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Conley, Craft, Duffy, Edwards, Fuqua, Garrett, Hehl, Hickerson, Howard, Johnson, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 0.

Senator Duffy moved that the vote by which **SB 17** was passed be reconsidered and said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 7, HB 40, SR 13.**

Orders of the Day

SB 18 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only.

Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 18.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kinkead, Kiser, Logan, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Duffy moved that the vote by which **SB 18** was passed be reconsidered and said motion be laid on the table. Agreed.

Recess

Senator Ware moved that the Senate recess for ten minutes for the purpose of having a meeting of the Committee on Committees. Agreed.

At the appointed hour the President resumed the Chair.

Reference of Bills

The Clerk announced that the following bill had been referred:

Appropriations: **HB 40**

Senator Overbey moved suspension of the rules and requested the unanimous consent of the Senate to let the Journal show that Senator McCann would have voted "Yea" on **SB 18** if he had been in the chamber before the roll call was announced.

Report on Enrolled Bill

Committee on Enrollment reported that **HR 10** had been examined and found correctly enrolled. **HR 10** read at length, compared, and signed in open session by the President. **HR 10** ordered delivered to the House.

Senator Ware moved that the Senate adjourn until 8:00 p.m., Monday, January 22. Agreed.

MONDAY, JANUARY 22, 1962
SEVENTEENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend J. Carter Roberts, Pastor of the Church of the Nazarene of Frankfort.

The roll was called. All present except Senators Blue and Conley, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for January 18 dispensed with and the same approved on motion of Senator McCann.

Recess

Senator Raney moved that the Senate recess for ten minutes for the purpose of having a meeting of the Appropriations Committee. Agreed.

At the appointed hour the President resumed the Chair.

Introduction of Bills

SB 83, by Senator McCann: AN ACT relating to elevator safety.

SB 84, by Senator Duffy: AN ACT relating to the practice of shorthand reporting.

SB 85, by Senator Duffy: AN ACT relating to insurance.

SB 86, by Senator Duffy: AN ACT relating to independent business schools.

SB 87, by Senator Ware: AN ACT relating to county roads and bridges.

SB 88, by Senator Ware: AN ACT relating to the State Fire and Tornado Insurance Fund.

SB 89, by Senator Ware: AN ACT relating to payment for right of way.

SB 90, by Senator Ware: AN ACT relating to marriage annulment and divorce statistics.

SB 91, by Senator Ware: AN ACT relating to the form of certain public securities, amending Section 61.390 of the Kentucky Revised Statutes.

SB 92, by Senator Ware: AN ACT relating to the Financial Responsibility law.

SB 93, by Senator Miller: AN ACT relating to the city attorney of cities of the first class.

SB 94, by Senator Garnett: AN ACT relating to annexation by third-class cities.

SB 95, by Senator Kelly: AN ACT relating to the code of practice in criminal cases.

SB 96, by Senator Garrett: AN ACT relating to Workmen's Compensation.

Report of Committees

Committee on Appropriations reported **HB 40** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 40, AN ACT relating to appropriations for the operation, maintenance, support and functioning of the government of the Commonwealth of Kentucky and its various officers, departments, boards, institutions, subdivisions, agencies and other state supported activities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

PART ONE

There is appropriated out of the General Expenditure Fund, including any unappropriated surplus to the General Expenditure Fund as of June 30, 1962, for the fiscal year beginning July 1, 1962, and ending June 30, 1963, and including any unappropriated surplus to the General Expenditure Fund as of June 30, 1963, for the fiscal year beginning July 1, 1963 and ending June 30, 1964, the following sums for the following officers, departments, boards, commissions, institutions, and subdivisions of the State Government, and any and all other agencies of the State Government of the Commonwealth of Kentucky subject to the provisions of Chapters 12, 42, and 45 of the Kentucky Revised Statutes, for which a specific appropriation is in Part One listed as follows:

I. GENERAL GOVERNMENT

1. LEGISLATIVE

A. *Legislative Sessions*	
1962-63	$ 5,000
1963-64	$731,035
B. *Legislative Research Commission*	
1962-63	$242,830
1963-64	$264,935
C. *Constitution Revision Committee*	
1962-63	$ 20,000
1963-64	$ 20,000

D. *Legislative Journals and Acts.* For preparing, indexing, editing, and printing the Journals and Acts of the General Assembly. Any unexpended balance at the close of 1962-63 shall carry forward into 1963-64.

1962-63	$ 23,400
1963-64	$ 14,300

E. *The Council of State Governments*

1962-63	$ 10,500
1963-64	$ 12,000

F. *Statute Revision Commission–Printing Revolving Fund*

1962-63	$ 10,000

G. *Speaker of House of Representatives.* For salaries and expenses of the Office of the Speaker of the House of Representatives.

1962-63	$ 10,900
1963-64	$ 9,975

TOTAL–LEGISLATIVE

1962-63	$ 322,630
1963-64	$1,052,245

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2. JUDICIARY

A. *Court of Appeals.* For normal recurring operating costs of the Court of Appeals, including salaries of judges and commissioners.

1962-63	$289,435
1963-64	$289,805

B. *Clerk of Court of Appeals*

1962-63	$ 46,040
1963-64	$ 47,525

C. *Circuit Courts.* For salaries and expenses of circuit judges.

1962-63	$570,900
1963-64	$571,600

D. *Circuit Judges' Retirement System.* For administering and complying with the obligations of the State under the Circuit Judges' Retirement System Act, KRS 23.300 to 23.380.

1962-63	$ 35,000
1963-64	$ 35,000

E. *Judicial Retirement System.* For complying with the obligations of the State under the Retirement System for Judges and Commissioners of the Court of Appeals, KRS 21.350 to KRS 21.510.

1962-63	$ 73,600
1963-64	$ 73,600

F. *State Law Library*

1962-63	$ 31,965
1963-64	$ 33,025

G. *Statutes, Codes and Opinions of the Court of Appeals for Courts.* For the purpose only of purchasing from the Legislative

Research Commission copies of the Official Statutes of Kentucky, and Annotations thereto, and Administrative Regulations compilations in accordance with KRS 57.340, except where the Legislative Research Commission does not publish such material and Director of the Legislative Research Commission so certifies. In such cases the State Law Librarian is authorized to purchase said material from commercial sources. Also for the purpose of purchasing bound volumes and advance sheets of the Opinions of the Court of Appeals and furnishing them for the use of each County Law Library and each Judge of a circuit court of continuous session in accordance with KRS 57.320. Any unexpended balance at the close of 1962-63 shall carry forward into 1963-64.

1962-63	$ 6,400
1963-64	$ 6,400

TOTAL–JUDICIARY

1962-63	$1,053,340
1963-64	$1,056,955

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3. EXECUTIVE DEPARTMENT

A. *Governor's Office*

1962-63	$ 87,100
1963-64	$ 89,900

B. *Contingent Fund*

1962-63	$ 12,000
1963-64	$ 12,000

C. *General Contingency Fund.* For meeting expenses deemed necessary by the Governor, and to be expended by the Governor in his discretion for any emergency or other contingency that he may determine requires the expenditure of any part of said fund. Any unexpended balance at the close of 1962-63 shall carry forward into 1963-64.

1962-63	$1,000,000
1963-64	$1,000,000

D. *Office of the Lieutenant Governor*

1962-63	$ 34,520
1963-64	$ 34,575

E. *Contingent Fund*

1962-63	$ 2,500
1963-64	$ 2,500

TOTAL EXECUTIVE DEPARTMENT

1962-63	$1,136,120

1963-64	$1,138,975

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4. DEPARTMENT OF FINANCE

A. *General Operations*

1962-63	$1,651,385
1963-64	$1,714,855

B. *Division of Services.* For operation of the Executive Residence.

1962-63	$ 39,150
1963-64	$ 39,550

C. *Division of Services.* For operation of the Old Governor's Mansion.

1962-63	$ 13,960
1963-64	$ 13,925

D. *Records and Archives Service*

1962-63	$ 41,810
1963-64	$ 43,515

TOTAL–DEPARTMENT OF FINANCE

1962-63	$1,746,305
1963-64	$1,811,845

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5. DEPARTMENT OF REVENUE

A. *General Operations*

1962-63	$3,302,510
1963-64	$3,470,790

B. *Reappraisals*

1962-63	$ 75,000
1963-64	$ 75,000

Any unexpended balance at the close of 1962-63 shall carry forward into 1963-64.

C. *County Tax Commissioners*

1962-63	$1,750,000
1963-64	$1,790,000

TOTAL–DEPARTMENT OF REVENUE

1962-63	$5,127,510
1963-64	$5,335,790

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6. DEPARTMENT OF PERSONNEL

A. *Department of Personnel*

1962-63	$ 182,445
1963-64	$ 184,840

Not withstanding any provisions of KRS 18.330 to the contrary, this appropriation is for the pro-rata cost of administering a merit system of personnel administration for the civil service of the Commonwealth for all departments, commissions, boards or agencies which receive support from the General Expenditure Fund or Revolving, Trust and Agency Funds with the exception of the Department of Economic Security, Department of Health, Commission for Handicapped Children and Division of Community Services, Department of Mental Health.

7. DEPARTMENT OF LAW

A. *Attorney General*

1962-63	$ 251,010
1963-64	$ 268,940

8. DEPARTMENT OF PUBLIC INFORMATION

A. *Department of Public Information*

1962-63	$ 899,988
1963-64	$ 912,987

9. SECRETARY OF STATE

A. *Secretary of State*

1962-63	$ 82,763
1963-64	$ 85,913

10. DEPARTMENT OF THE TREASURY

A. *State Treasurer*

1962-63	$ 135,500
1963-64	$ 142,500

11. AUDITOR OF PUBLIC ACCOUNTS

A. *Auditor of Public Accounts*

1962-63	$ 124,900
1963-64	$ 154,030

12. ELECTIONS

A. *Election Expenses*

1962-63	$ 423,090
1963-64	$ 403,180

For expenses of the State Board of Election Commissioners, State Board of Registration and Purgation, County Elections-State Share, and County Registration and Purgation Boards-State Share.

TOTAL–GENERAL GOVERNMENT

1962-63	$11,485,601
1963-64	$12,548,200

II. EDUCATION

14. DEPARTMENT OF EDUCATION

A. *General Operations.* For general operations of the department and expenses of the State Board of Education.

1962-63	$1,120,190
1963-64	$1,245,915

An amount not to exceed $100,000 shall be allotted in the second fiscal year of the biennium by the Commissioner of Finance, upon completion of construction of approved Area Vocational School facilities. These funds shall be used as payment for rental, which shall be used for interest and retirement of revenue bonds. Any amount of these funds not required for this purpose shall lapse to the General Expenditure Fund at the end of the biennium.

B. *Division of Education for Veterans (Veterans' Approval Agency).* For payment of administrative expenses in connection with the approval of educational institutions for training and educating veterans for which reimbursement is made by the Federal Government. Any unexpended balance at the close of 1962-63 shall carry forward into 1963-64.

1962-63	$ 14,000

C. *School Foundation Program*

1962-63	$108,729,457
1963-64	$112,327,879

The State Board of Education shall not approve any working budget or salary schedule for local boards of education for the school years 1962-63 and 1963-64 in which the total amount budgeted for teachers' salaries is not equal to the amount budgeted for teachers' salaries in 1961-62 plus the additional amount for teachers' salaries and guarantee received by the district under this appropriation. The amount which any district receives under any guarantee provision shall be presumed to be for teachers' salaries and shall be placed in the teachers' salaries budget and allotted to the various teacher's salary ranks in a proportionate manner in keeping with KRS 157.390. No working budget or salary schedule shall be approved in which the average salary paid any rank of teacher is not at least equivalent to the allotment for that rank and in which any teacher is paid less than ninety per cent of the Foundation Program allotment for that rank, except where there is a decline in local revenue of that district after the district has levied the maximum ad valorem tax rate permitted by law. Any such reduction permitted shall be only for the amount of the decline in local revenue.

In the event any local board of education claims there is a decline in local tax resources in that district, the State Board of Education shall certify such claim to the Department of Revenue whose duty it shall be to determine whether or not there is a decline in local tax resources of such district and if so, the amount of such decline in local tax resources. The Department of Revenue shall make its certification to the State Board of Education and said Board shall accept said certification as final.

The Superintendent of Public Instruction shall not allot to any school district more basic classroom units than the number of teachers employed by that school district for basic classroom units. Entitlement for basic classroom units obtained in schools or buildings of one classification shall not be allocated to schools or buildings of another classification, for which purposes the classifications shall be as follows:

(1) One-teacher schools;

(2) Schools, other than one-teacher schools, with less than one hundred pupils in average daily attendance; and,

(3) Schools, other than one-teacher schools, with more than one hundred pupils in average daily attendance.

The Superintendent of Public Instruction shall allot classroom units for superintendents, principals, their certified assistants and special instructional personnel as provided in KRS 157.360, subsection 6, only for personnel who are qualified for their respective positions under provisions of law and regulations of the State Board of Education and who maintain programs approved under regulations of the State Board of Education.

The number of units allotted by the Superintendent of Public Instruction for vocational education and the education of exceptional children shall not exceed the following:

	1962-63	1963-64
Vocational Agriculture	265	265
Vocational Home Economics	370	370
Trade and Industrial	100	100
Distributive Occupations	25	30
Exceptional Children	126	126
Mental Retardation	146	166

In the event that the number of units outlined above is not utilized for the particular classes specified, the unused units may be allotted to Exceptional Children and Mental Retardation.

The Superintendent of Public Instruction shall not allot a full classroom unit for any non-isolated one-teacher school with fewer than 27 pupils in average daily attendance and no full classroom units shall be allotted for any one-teacher school which has fewer than 12 pupils in average daily attendance.

Facilities that are used to house school children shall be approved by the Superintendent of Public Instruction under KRS 162.060 and 162.160. No alterations or additions of old buildings shall be made without prior approval of the Superintendent of Public Instruction. No space shall be rented or purchased and converted to classroom use without prior approval of the Superintendent of Public Instruction. The State Board of Education may adopt regulations for the approval of an annual basis of temporary facilities for the housing of school children but these regulations shall not permit the division of any present room by partitions of nonstructural material. No classroom units shall be allotted for a second teacher in the same classroom. No facilities shall be approved for classroom use which are detrimental to the health of or dangerous to the safety of school children.

If the school district operates any school or grade of a school for a term of less than nine scholastic months or for a school day of less than the minimum required by KRS 158.060, the average daily attendance of such school shall be reduced proportionately by the Superintendent of Public Instruction in determining the allotment of classroom units provided for by the regulations of the State Board of Education.

If at the time of the tentative allotment of school funds under KRS 157.310 through 157.440, it shall be determined that insufficient revenue is available to finance in full the Foundation Program, the Superintendent of Public Instruction shall not allot any classroom units under the special growth or loss provisions of KRS 157.360, subsection 3.

Notwithstanding the provisions of KRS 157.400, any unexpended balance at the end of the fiscal years 1961-62, 1962-63, and 1963-64 shall lapse to the General Fund.

The Superintendent of Public Instruction is authorized to allocate an amount not to exceed $25,000 in each fiscal year of the biennium for the cost of planning and developing a program for educational television facilities and curricular standards within the Commonwealth.

D. *Free Textbooks.* For the purchase of textbooks as provided for in KRS 157.100 and 157.900.

1962-63	$2,400,000
1963-64	$2,400,000

To be expended in accordance with regulations of the State Board of Education.

E. *Out-of-District Children*

1962-63	$ 35,000
1963-64	$ 35,000

F. *Kentucky School for the Blind*

1962-63	$294,081
1963-64	$322,316

G. *Kentucky School for the Deaf*

1962-63	$495,761
1963-64	$523,460

H. *Mayo State Vocational School*

1962-63	$248,210

1963-64 $367,965

I. *Northern Kentucky Vocational School*

1962-63 $183,701

1963-64 $191,934

J. *West Kentucky Vocational School*

1962-63 $200,298

1963-64 $207,239

K. *Bureau of Rehabilitation Services*

1962-63 $346,510

1963-64 $353,334

Any unexpended balance at the close of 1962-63 not to exceed $10,000 shall carry forward into 1963-64.

L. *Kentucky Industries for the Blind*

1962-63 $ 39,750

1963-64 $ 38,590

M. *Vocational Education*

1962-63 $723,982

1963-64 $754,296

N. *Future Farmer Leadership Training Camp*

1962-63 $ 19,370

1963-64 $ 19,370

TOTAL—DEPARTMENT OF EDUCATION

1962-63 $114,850,310

1963-64 $118,787,298

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14. TEACHERS' RETIREMENT SYSTEM

A. *Teachers' Retirement System.* For administering and complying with the obligations of the state under the Teachers' Retirement Act as provided in KRS 161.220 to 161.710.

1962-63 $7,910,637

1963-64 $7,992,132

15. COUNCIL ON PUBLIC HIGHER EDUCATION

A. *Council on Public Higher Education.* To be expended for administration of the Veterinary Medicine Scholarship Program, the Medical Education Program, Forestry Scholarship Program, Blind and Deaf Teacher Training Scholarship Program, and Public Health Scholarship Program.

1962-63 $ 23,240

1963-64 $ 27,400

B. *Southern Regional Education Board.* For participation in the activities of the Southern Regional Educational Board including the Mental Health Council and the Veterinary Medicine Program, Forestry Program, Blind and Deaf Teachers, and Public Health Scholarship Program.

1962-63 $123,400

1963-64 ------------------------------ $123,400

C. *Medical Education Program*
1962-63 ------------------------------ $500,000
1963-64 ------------------------------ $500,000

D. *Musical Education*
1962-63 ------------------------------ $ 50,000
1963-64 ------------------------------ $ 50,000

TOTAL – COUNCIL ON PUBLIC HIGHER EDUCATION
1962-63 ------------------------------ $696,640
1963-64 ------------------------------ $700,800

16. UNIVERSITY OF KENTUCKY

A. *University of Kentucky*
1962-63 ---------------------------- $12,645,540
1963-64 ---------------------------- $13,306,000

B. *Medical Center*
1962-63 ---------------------------- $6,125,000
1963-64 ---------------------------- $7,050,000

Any unexpended balance remaining at the close of the 1961-62 fiscal year shall not lapse, but shall be carried forward into 1962-63, and any unexpended balance remaining at the close of 1962-63 shall not lapse, but shall be carried forward into 1963-64.

TOTAL – UNIVERSITY OF KENTUCKY
1962-63 ---------------------------- $18,770,540
1963-64 ---------------------------- $20,356,000

17. EASTERN KENTUCKY STATE COLLEGE

A. *Eastern Kentucky State College*
1962-63 ---------------------------- $2,434,060
1963-64 ---------------------------- $2,689,890

18. WESTERN KENTUCKY STATE COLLEGE

A. *Western Kentucky State College*
1962-63 ---------------------------- $2,555,435
1963-64 ---------------------------- $2,847,710

19. MURRAY STATE COLLEGE

A. *Murray State College*
1962-63 ---------------------------- $2,235,445
1963-64 ---------------------------- $2,471,530

20. MOREHEAD STATE COLLEGE

A. *Morehead State College*
1962-63 ---------------------------- $1,956,820
1963-64 ---------------------------- $2,138,390

21. KENTUCKY STATE COLLEGE

A. *Kentucky State College*

1962-63	$850,390
1963-64	$869,000

22. KENTUCKY STATE COLLEGE – LINCOLN INSTITUTE

A. *Lincoln Institute*

1962-63	$195,200
1963-64	$205,800

23. LIBRARY EXTENSION DIVISION

A. *Library Extension*

1962-63	$573,060
1963-64	$613,705

24. KENTUCKY HISTORICAL SOCIETY

A. *Kentucky State Historical Society*

1962-63	$ 52,515
1963-64	$ 54,905

TOTAL – EDUCATION

1962-63	$153,081,052
1963-64	$159,727,160

III. HEALTH AND WELFARE

25. DEPARTMENT OF HEALTH

A. *General Operations and County Health*

1962-63	$4,427,331
1963-64	$4,584,229

B. *Covington-Kenton County Tuberculosis Sanatorium*

1962-63	$ 49,000
1963-64	$ 49,000

C. *Warren County Tuberculosis Sanatorium*

1962-63	$ 27,000
1963-64	$ 27,000

If at any time during the biennium the State Tuberculosis Hospital Commission finds that it has adequate facilities to treat tuberculosis patients in Covington, Kenton County, or Warren County, any unexpended funds may be transferred to the Commission, any provisions of KRS 215.320 to 215.345 to the contrary notwithstanding. The Commissioner of Finance, with approval of the Governor, shall take necessary action to transfer any unexpended funds to the Tuberculosis Hospital Commission upon the receipt of a certificate by the Commission that adequate facilities exist. The transfer of funds shall be effected at the beginning of the next quarterly allotment following receipt of the certificate.

D. *American Society for Control of Cancer–Kentucky Division*

1962-63	$ 45,000
1963-64	$ 45,000

E. *Rural Medical Scholarship Fund*

1962-63	$ 30,000
1963-64	$ 30,000

F. *Rural Dental Scholarship Fund.* To be expended for the purpose of the present rural dental scholarship fund only.

1962-63	$ 15,000
1963-64	$ 15,000

G. *King's Daughters' Home for the Incurables*

1962-63	$ 38,000
1963-64	$ 38,000

TOTAL – DEPARTMENT OF HEALTH

1962-63	$4,631,331
1963-64	$4,788,229

26. DEPARTMENT OF MENTAL HEALTH

A. *General Operations*

1962-63	$10,275,000
1963-64	$10,439,495

27. STATE TUBERCULOSIS HOSPITAL COMMISSION

A. *State Tuberculosis Hospital Commission*

1962-63	$3,771,195
1963-64	$3,912,340

28. KENTUCKY COMMISSION FOR HANDICAPPED CHILDREN

A. *Kentucky Commission for Handicapped Children*

1962-63	$678,680
1963-64	$693,680

29. DEPARTMENT OF ECONOMIC SECURITY

A. *Public Assistance—Administration*

Notwithstanding the provisions of KRS 45.235, any unencumbered balance of this appropriation remaining at the end of the first fiscal year of the biennium shall lapse in accordance with the provisions of KRS 45.230.

1962-63	$2,245,017
1963-64	$2,326,478

B. *Public Assistance Benefits and Services.* For benefits and services to the needy, in accordance with the provisions of the statutes governing the functions and activities of the Department of Economic Security. No part of this appropriation shall be used for the costs of administration. Notwithstanding the provisions of KRS 45.235, any unencumbered balance of this appropriation remaining at the end of the first fiscal year of the biennium shall lapse in accordance with the provisions of KRS 45.230.

1962-63	$17,808,640
1963-64	$18,048,820

C. *Division of Personnel Security.* For the state's share of expenses in administering the Federal Social Security Act, and the County Employees' Retirement System.

1962-63	$ 35,563
1963-64	$ 36,047

D. *Nursing Home Care and Homes for the Aged.* For improvement of standards of care in nursing homes and homes for the elderly, including but not limited to increased benefit payments for public assistance recipients residing in approved homes of the aforementioned categories.

1962-63	$284,000
1963-64	$384,000

Any unexpended balance at the close of 1962-63 shall carry forward into 1963-64.

The Commissioner of Finance, with the approval of the Governor, shall have authority to transfer and allot funds to programs or departments concerning in expediting and carrying out a nursing home care and homes for the aged program.

TOTAL – DEPARTMENT OF ECONOMIC SECURITY

1962-63	$20,373,220
1963-64	$20,795,345

30. DEPARTMENT OF CHILD WELFARE

A. *Department of Child Welfare*

1962-63	$2,772,000
1963-64	$2,872,000

31. DEPARTMENT OF WELFARE

A. *Central Office.* For expenses of the Office of the Commissioner, Division of Staff Services, and Division of Farm Management.

1962-63	$222,935
1963-64	$228,390

B. *Penal Institutions.* For expenses of Kentucky State Reformatory, Kentucky State Penitentiary, Women's Prison, and Division of Corrections.

1962-63	$2,485,335
1963-64	$2,560,495

C. *Division of Probation and Parole*

1962-63	$502,165
1963-64	$519,270

D. *Parole Board*

1962-63	$ 50,900
1963-64	$ 51,940

E. *Maintenance of Buildings*

1962-63	$ 80,000
1963-64	$ 80,000

Any unexpended balance at the close of 1962-63 shall carry forward into 1963-64.

TOTAL – DEPARTMENT OF WELFARE

1962-63	$3,341,335
1963-64	$3,440,095

32. MENTAL RETARDATION

A. *Mental Retardation.* For mental retardation programs, including but not limited to the Kentucky Training Home and the Division of Mental Retardation.

1962-63	$2,740,600
1963-64	$1,664,600

Any unexpended balance at the close of 1962-63 shall carry forward into 1963-64.

The Commissioner of Finance with the approval of the Governor shall have authority to transfer and allot funds to departments concerned in expediting and carrying out a mental retardation program.

33. COMMISSION ON HUMAN RIGHTS

A. *Commission on Human Rights*

1962-63	$ 26,200
1963-64	$ 27,165

TOTAL – HEALTH AND WELFARE

1962-63	$48,609,561
1963-64	$48,632,949

IV. RESOURCES DEVELOPMENT

34. DEPARTMENT OF CONSERVATION

A. *Department of Conservation*

1962-63	$1,384,475
1963-64	$1,502,715

B. *Intensified Forest Resource Inventory*

1962-63	$120,000

Any unexpended balance at the close of 1962-63 shall carry forward into 1963-64.

TOTAL – DEPARTMENT OF CONSERVATION

1962-63	$1,504,475
1963-64	$1,502,715

35. DEPARTMENT OF MINES AND MINERALS

A. *Department of Mines and Minerals*

1962-63	$324,820
1963-64	$375,595

36. DEPARTMENT OF AGRICULTURE

A. *Department of Agriculture*

1962-63	$1,356,245
1963-64	$1,367,420

37. SPINDLETOP RESEARCH CENTER

A. *Spindletop Research Center*

1962-63	$400,000
1963-64	$400,000

38. AREA PROGRAM OFFICE

A. *Area Program Office*

1962-63	$ 87,508
1963-64	$ 91,283

39. DEPARTMENT OF ECONOMIC DEVELOPMENT

A. *Department of Economic Development*

1962-63	$714,047
1963-64	$747,665

40. DEPARTMENT OF INDUSTRIAL RELATIONS

A. *General Operations.* For general operations of the Office of the Commissioner and Wages and Hours for Women and Minors.

1962-63	$177,540
1963-64	$183,295

B. *Board of Claims.* For operating expenses in handling claims against the Commonwealth.

1962-63	$ 5,000
1963-64	$ 5,000

TOTAL – DEPARTMENT OF INDUSTRIAL RELATIONS

1962-63	$182,540
1963-64	$188,295

41. DEPARTMENT OF AERONAUTICS

A. *Department of Aeronautics*

1962-63	$163,135
1963-64	$183,070

42. STATE FAIR BOARD

A. *State Fair Board*

1962-63	$400,000
1963-64	$400,000

43. DEPARTMENT OF PARKS

A. *Department of Parks*

1962-63	$739,800
1963-64	$975,100

44. BREAKS INTERSTATE PARK COMMISSION

A. *Breaks Interstate Park Commission.* For matching funds from the Commonwealth of Virginia in the construction, maintenance and operation of Breaks Interstate Park.

1962-63	$ 75,000
1963-64	$ 75,000

This appropriation is contingent upon an appropriation by the Commonwealth of Virginia adequate to match this amount on an equal basis provided, however, appropriations to date shall be considered cumulatively and any deficit in appropriations by this State may be removed. The Commissioner of Finance shall be responsible for ensuring that only the amount necessary for matching on an equal basis is allotted.

45. UNIVERSITY OF KENTUCKY

A. *Geological Projects*

1962-63	$615,000
1963-64	$615,000

TOTAL – RESOURCES DEVELOPMENT

1962-63	$6,562,570
1963-64	$6,921,143

V. SAFETY AND REGULATORY

46. DEPARTMENT OF PUBLIC SAFETY

A. *Office of the Commissioner and Division of Administrative Services*

1962-63	$217,005
1963-64	$221,610

B. *Division of State Police*

1962-63	$1,068,510
1963-64	$1,328,760

C. *Division of Accident Control*

1962-63	$ 97,060
1963-64	$101,310

D. *Division of Fire Prevention*

1962-63	$337,280
1963-64	$347,610

E. *Division of Boating*

1962-63	$150,960
1963-64	$156,430

The appropriations to any division of the Department of Public Safety may be transferred to another division upon the request of the Commissioner of Public Safety and the approval of the Department of Finance, subject to the provisions of KRS 45.160.

TOTAL–DEPARTMENT OF PUBLIC SAFETY

1962-63	$1,870,815
1963-64	$2,155,720

47. DEPARTMENT OF MILITARY AFFAIRS

A. *Adjutant General*

1962-63	$311,820
1963-64	$340,110

B. *Armories – Rental*

1962-63	$121,720
1963-64	$121,720

C. *Repairs to Armories*

1962-63	$ 60,675
1963-64	$ 60,675

Any unexpended balance at the close of 1962-63 shall carry forward into 1963-64.

D. *Civil Defense*

1962-63	$ 56,010
1963-64	$ 57,710

TOTAL – DEPARTMENT OF MILITARY AFFAIRS

1962-63	$550,225
1963-64	$580,215

48. KENTUCKY DISABLED EX-SERVICE MEN'S BOARD

A. *Kentucky Disabled Ex-Service Men's Board*

1962-63	$135,760
1963-64	$137,545

49. DEPARTMENT OF MOTOR TRANSPORTATION

A. *Department of Motor Transportation*

1962-63	$ 13,790
1963-64	$ 14,150

50. RAILROAD COMMISSION

A. *Railroad Commission*

1962-63	$ 26,900
1963-64	$ 26,970

51. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

A. *Department of Alcoholic Beverage Control*

1962-63	$265,585
1963-64	$270,375

52. DEPARTMENT OF INSURANCE

A. *Department of Insurance—General Operations*

1962-63	$365,155
1963-64	$358,700

53. BUSINESS AND PROFESSIONAL REGULATION

A. *Division of Athletic Control*

1962-63	$ 11,403
1963-64	$ 11,403

TOTAL – SAFETY AND REGULATORY

1962-63	$3,239,633
1963-64	$3,555,078

VI. OTHER

54. DEPARTMENT OF FINANCE

A. *Veterans Bonus Debt Service*

1962-63	$7,988,795
1963-64	$7,972,295

For principal and interest on bonds issued to pay a bonus to veterans of the Spanish American War, World War I, World War II, and the Korean Conflict. Any proceeds from the sale of bonds for payment of bonuses not required for bonuses shall be used for principal and interest on the bonds.

It shall be the duty of the Administrator or Veterans Bonus to report to the Governor and the Commissioner of Finance on or before January 1, 1963 as to total funds available for payment of bonuses, amounts paid, amounts potentially required for claims under appeal or otherwise pending, and balances, if any, available for payment of principal and interest. It shall be the duty of the Commissioner of Finance to establish adequate reserves to pay all pending bonus claims before authorizing the use of bonus funds for principal and interest payments.

B. *Veterans Bonus Administration*

1962-63	$274,000
1963-64	$ 36,435

For expenses of the Departments of Military Affairs, Finance, Treasury, and Revenue in administering payment of veterans bonus claims.

C. *Parks Debt Service*

1962-63	$602,035
1963-64	$589,385

For principal and interest on general obligation park bonds.

D. *Capital Construction*

For expenditure in accordance with the provisions of Chapter 56 of the Kentucky Revised Statutes. All monies transferred to the Department of Finance for capital construction from other appropriations shall be expended, accounted for, and otherwise treated in the same manner as funds appropriated directly to the Department of Finance for capital construction.

The amount of funds necessary for the activation inventory for the University of Kentucky Medical Center shall be taken from the unexpended balance of the appropriation made in Chapter 2, Acts of the General Assembly of the Commonwealth of Kentucky, 1958.

Upon approval of the Governor, a maximum of $300,000 of the appropriation for capital construction may be used to establish a revolving fund to provide loans for local airport development.

Upon approval of the Governor, a maximum of $250,000 of the appropriation for capital construction may be used to establish a revolving fund to provide loans for development of the arts and crafts industry.

If at the end of any fiscal year the monies and securities to the credit of the State Fire and Tornado Insurance Fund exceed two million dollars, and if conditions with respect to life and fire safety in state properties are such as not to require the expenditure of all excess funds for improvements to said conditions, then the Commissioner of Finance, with the approval of the Commissioner of Insurance, shall determine the amount of such excess not so required and may authorize its transfer to the Capital Construction Fund, for expenditure in accordance with the provisions of Chapter 56 of the Kentucky Revised Statutes.

Any unalloted balances of any capital construction appropriations remaining at the close of the 1961-62 fiscal year shall lapse. Any allotted balances remaining at the close of 1961-62 shall carry forward into 1962-63. Any unexpended balances at the close of 1962-63 shall carry forward into 1963-64.

1962-63	$2,750,000
1963-64	$1,910,000

TOTAL – OTHER, DEPARTMENT OF FINANCE

1962-63	$11,614,830
1963-64	$10,508,115

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55. COUNTY COSTS

A. *Clerks' Services, Criminal Prosecutions, Jury Commissioners, Trustees of Jury Funds (Circuit Clerks), Commissions on Fines and Forfeitures, Commonwealth's Attorneys, Return of Fugitives from Justice, County Highway Patrol, Premiums on Sheriffs' Bonds, Pauper Idiots, and County Boards of Supervisors*

All County Costs are deemed to be necessary governmental expenses and additional funds may be allotted by the Commissioner of Finance.

1962-63	$3,257,370
1963-64	$3,257,370

56. APPROPRIATIONS NOT OTHERWISE CLASSIFIED

A. *Money Refunded.* For refunding money paid into the State Treasury, which may be later determined not to be a lawful collection by the State. No money shall be refunded, however, after it has been paid into the State Treasury except by authority of the head of the department or agency to whom the money was originally paid and the approval of the Commissioner of Finance and the Attorney General.

1962-63	$ Amount Necessary
1963-64	$ Amount Necessary

B. *Bonds of Elective and Appointive Officers.* For payment of premiums on bonds of elected and appointed State officials who are required by law to execute bonds to the Commonwealth of Kentucky, the payment of which is incumbent upon the State.

1962-63	$ 13,500
1963-64	$ 13,500

C. *Judgments.* For payment of such judgments as may be rendered against the Commonwealth by order of Court and approved by the Attorney General.

1962-63	$ 10,000
1963-64	$ 10,000

D. *Frankfort Cemetery*

1962-63	$ 250
1963-64	$ 250

E. *Franklin Circuit Court.* For purchase of supplies and equipment in accordance with KRS 28.165.

1962-63	$ 300
1963-64	$ 300

F. *Interstate Oil Compact*

1962-63	$ 1,000
1963-64	$ 1,000

G. *Special Legislative Claims*

1963-64	$ 7,000

H. *Back Tax Collections*

1962-63	$ Amount Necessary
1963-64	$ Amount Necessary

I. *Prior Year Claims*

1962-63	$ Amount Necessary
1963-64	$ Amount Necessary

J. *Public Improvements.* For paying assessments for public works against property owned by the State as provided by KRS 93.440 and 94.297.

1962-63	$ 7,000
1963-64	$ 7,000

K. *Board of Claims Awards.* For the payment of awards or judgments made by the Board of Claims against departments, boards, commissions and other agencies maintained by appropriations out of the General Fund.

1962-63	$ 15,000
1963-64	$ 15,000

L. *Capital Planning and Zoning Commission.* For expenses of participation in the program of the Commission.

1962-63	$ 1,000
1963-64	$ 1,000

M. *Social Security for Circuit Clerks, Master Commissioners, and Court Reporters*

1962-63	$ 27,910
1963-64	$ 29,970

N. *Retirement — Circuit Clerks and Master Commissioners*

1962-63	$ 44,890
1963-64	$ 46,470

O. *Blanket Employee Surety Bonds.* For payment of premiums on blanket surety bonds as provided by KRS 62.170.

1962-63	$ 10,000
1963-64	$ 10,000

P. *Confederate Pensions*

1962-63	$ 4,000
1963-64	$ 3,400

Q. *Paper for Election Ballots*

1962-63	$ 10,000
1963-64	$ 10,000

TOTAL — APPROPRIATIONS NOT OTHERWISE CLASSIFIED

1962-63	$144,850
1963-64	$154,890

TOTAL — OTHER

1962-63	$15,017,050
1963-64	$13,920,375

PART TWO

STATE ROAD FUND

There is established for the purpose of paying all costs of operation and maintenance of the Department of Highways and for carrying on its activities and functions, a State Road Fund which shall consist of all the revenues realized from fees, taxes and license fees levied for state road purposes now authorized by law, and any additional or other revenues, grants or funds, including any amount which may be received from Federal aid, bond funds, or any other source pursuant to the provisions of KRS 177.030, made available for the construction or reconstruction of public roads or for any other of the activities administered by the Department of Highways. Such receipts and revenues, together with any balance in the existing State

Road Fund as of June 30, 1962 and June 30, 1963, shall constitute the State Road fund for the fiscal years 1962-63 and 1963-64. There is appropriated from the State Road Fund the following amounts for the following departments, agencies, and subdivisions of the State Government, for the following purposes:

I. HIGHWAY DEPARTMENT GENERALLY

1. DEPARTMENT OF HIGHWAYS

A. *Department of Highways.* For use by the Department in its activities, functions, and duties performed by it as prescribed by law, all monies received and placed to the credit of the State Road Fund, not otherwise appropriated in this or any other Act; provided, however, that an annual budget for each fiscal year shall be submitted by the Department of Highways as required by Part Two, Section III of this Act.

2. RURAL HIGHWAYS

A. *Division of Rural Highways.* For improvement, construction, reconstruction and maintenance of county roads and bridges, which have not been accepted by the Department of Highways for maintenance, the sum of $5,000,000 for each of the fiscal years 1962-63 and 1963-64. This appropriation is to be expended in accordance with the provisions of KRS 179.410 to 179.430. Not more than six per cent (6%) of this appropriation shall be used for administration.

B. *Secondary and Rural Roads.* For the construction, reconstruction, and maintenance of secondary and rural roads, two-sevenths of all revenue received under the provisions of KRS 138.220, 138.565, and 177.320. This appropriation is in addition to the amount appropriated under Section I, subsection 2, Paragraph A, of Part Two of the Appropriation Act.

II. APPROPRIATIONS TO DEPARTMENTS AND AGENCIES OTHER THAN HIGHWAYS

3. DEPARTMENT OF THE TREASURY

A. *Department of the Treasury.* For expenses pertaining to treasury administration for the Department of Highways.

1962-63	$ 93,000
1963-64	$ 94,000

4. DEPARTMENT OF FINANCE

A. *Department of Finance General Operations.* For expenses pertaining to financial administration for the Department of Highways and for expenses of operation of buildings for the Department of Highways and State Police Barracks.

1962-63	$489,200
1963-64	$506,150

5. DEPARTMENT OF PERSONNEL

A. *Department of Personnel.* Notwithstanding any provisions of KRS 18.330 to the contrary, this appropriation is for the pro-rata cost of administering a merit system of personnel administration for the civil service of the Commonwealth for the Department of Highways.

1962-63	$161,160
1963-64	$168,000

6. DEPARTMENT OF REVENUE

A. *Department of Revenue.* For administering and enforcing the laws pertaining to the gasoline, motor fuels and any other taxes comprising the State Road Fund, and administering and enforcing the laws relating to motor vehicle registration and other laws relating to motor vehicles and highways.

1962-63	$1,348,910
1963-64	$1,417,645

7. DEPARTMENT OF PUBLIC SAFETY

A. *Division of State Police.* For expenses pertaining to the enforcement of laws relating to highway use and safety.

1962-63	$4,344,675
1963-64	$4,220,325

B. *Division of Driver Licensing*

1962-63	$288,120
1963-64	$301,290

8. UNIVERSITY OF KENTUCKY

A. *University of Kentucky Geological Projects.* For expenses pertaining to the acquisition of data used in highway planning and construction.

1962-63	$ 88,125
1963-64	$ 88,125

9. DEPARTMENT OF MOTOR TRANSPORTATION

A. *Department of Motor Transportation.* For administering and enforcing the motor vehicle carrier laws.

1962-63	$675,810
1963-64	$693,465

10. DEPARTMENT OF PUBLIC INFORMATION

☞ A. *Division of Tourist Promotion.* For expenses incident to the preparation, publication and distribution of road maps, booklets, photographs, advertisements and other activities intended to advertise and publicize Kentucky highways and highway conditions, tourist, scenic and travel attractions and places of interest to motorists.

1962-63	$250,000
1963-64	$250,000

TOTAL – APPROPRIATIONS TO DEPARTMENTS AND AGENCIES OTHER THAN HIGHWAYS

1962-63	$7,739,000
1963-64	$7,739,000

III. ADMINISTRATION AND EFFECT

The Department of Highways shall submit an annual budget for each fiscal year to the Department of Finance for approval by the Commissioner of Finance immediately before the fiscal year begins. The budget shall be based upon the most current state road fund revenue estimates and contractual and noncontractual federal aid in which the Department will be eligible to receive during the fiscal year.

The appropriations made by this Act are subject to the provisions of Chapters 12, 42, and 45 of the Kentucky Revised Statutes except where additional requirements are imposed by this Act. Nothing in this Act shall be construed to repeal any appropriation for the fiscal year to the State Road Fund ending June 30, 1962.

PART THREE

REVOLVING, TRUST AND AGENCY FUNDS

There is appropriated to the various boards, commissions, institutions, agencies and/or subdivisions of the State Government only as are listed herein for the fiscal year ending June 30, 1963, and for the fiscal year ending June 30, 1964, all of the fees (which include fees for board and room, athletics, student activities) and rentals, admittances, sales, bond proceeds, licenses collected by law, contributions, gifts, subventions, federal grants and other federal receipts and other miscellaneous receipts produced or received by any of the following agencies of the State Government, except as otherwise specifically provided, for the use and benefit of each of the below-named agencies of the State Government for the purposes for which each fund is authorized. Receipts which are received by each of the respective agencies of the State Government listed herein shall be placed to the credit of a Revolving or Trust and Agency Fund out of which shall be established separate Revolving or Trust and Agency Fund Accounts for the use and benefit of these agencies of the State Government for purposes for which each fund is authorized.

In the event receipts received and credited to any Revolving or Trust and Agency Fund Account during fiscal year 1962-63 or fiscal year 1963-64 and any balance forwarded to the credit of any such account from the previous fiscal year exceed the appropriation made by specific sum to said account in this Part of this Appropriation Act, the excess is appropriated to the credit of said account for the fiscal year in which the excess occurs; provided, however, that said excess shall become available for expenditure for the purpose of the account during said year only with the authorization of the Commissioner of Finance and approval of the Governor.

Except as herein otherwise provided, the appropriate agency may requisition for expenditure from the Revolving or Trust and Agency Fund Account, through the Department of Finance, during the fiscal year ending June 30, 1963, and during the fiscal year ending June 30, 1964, all receipts placed to the credit of the Revolving or Trust and Agency Fund for such year, out of which has been established a Revolving or Trust and Agency Fund Account for each separate agency during such fiscal year, plus any balance which said agency may have had forwarded from the preceding year on or before September 30, of the then current fiscal year, by the Department of Finance. On or before the beginning of each fiscal year, each department shall submit to the Department of Finance schedules showing estimated receipts and estimated expenditures by quarterly period.

I. GENERAL GOVERNMENT

1. LEGISLATIVE RESEARCH COMMISSION

A. *Administrative Regulations Revolving Fund.*

B. *Statute Revision Commission—Printing Revolving Fund.* To be used for the printing and the distribution costs of the Kentucky Revised Statutes, Notes and Annotations to the Kentucky Revised Statutes, and supplements to these publications. Reimbursement shall be made to this account from sales of these publications.

C. *Publications Sales Fund.* For the cost of the publication of research reports. Any unexpended balance at the end of the 1961-62 fiscal year shall lapse to the General Expenditure Fund.

2. JUDICIARY

A. *Board of Bar Examiners*

1962-63	$ 15,250
1963-64	$ 13,700

3. DEPARTMENT OF FINANCE

A. *Paper Revolving Fund.* The balance in the Paper Revolving Fund and all receipts credited to the Fund during the 1962-63 fiscal year and during the 1963-64 fiscal year are appropriated for use during that period.

B. *Division of Services Revolving Fund.* To be used in purchasing and providing stamps and postage, supplies, equipment and utility services for the various budget units of State Government, which shall make reimbursement for same. Accounting practices shall reflect the current financial status of each function performed with funds in this account. Any unexpended balance remaining at the end of the fiscal year 1962-63 shall not lapse, but shall be available for expenditure during the following fiscal year.

C. *Central Stores Revolving Fund.* The balance in this Fund and all receipts credited to this Fund during the 1962-63 and 1963-64 fiscal year are appropriated for the use in purchasing supplies and services for the various budget units of State Government who shall make reimbursement for same. Any unexpended balance remaining at the end of the fiscal year 1962-63 shall not lapse but shall be available for expenditure during the following fiscal year.

D. *New Capitol Annex Maintenance and Operations.* For expenses of maintaining and operating the New Capitol Annex building.

E. *Duplicating Revolving Fund.* For duplicating services provided to the various budget units of State Government, which shall make reimbursement on the basis of cost.

F. *Capital Construction.* All real estate rentals, sales and other receipts including balance brought forward as provided in KRS, Chapter 56.

4. DEPARTMENT OF PERSONNEL

1962-63	$ 43,920
1963-64	$ 44,680

Notwithstanding any provisions of KRS 18.330 to the contrary, these receipts are for the pro-rata cost of administering a merit system of personnel administration for the civil service of the Commonwealth for the Department of Economic Security, Department of Health, Commission for Handicapped Children, and Division of Community Services, Department of Mental Health. Any unexpended balance at the end of the 1962-63 fiscal year shall carry forward to the 1963-64 fiscal year.

5. DEPARTMENT OF PUBLIC INFORMATION

1962-63	$100,000
1963-64	$100,000

6. AUDITOR OF PUBLIC ACCOUNTS

1962-63	$ 75,000
1963-64	$ 52,000

II. EDUCATION

1. DEPARTMENT OF EDUCATION

A. *General Operations*

1962-63	$372,330
1963-64	$385,210

B. *School Foundation Program*

C. *Veterans' Approval Agency*

D. *School Lunch Program*

E. *School Milk Program*

F. *Guidance Grants to Local Districts*

G. *Mathematics, Science, and Foreign Language Grants to Local Districts*

H. *Young and Adult Farmer Program*

1962-63	$461,767
1963-64	$461,767

I. *Itinerant Instruction*

1962-63	$ 12,077
1963-64	$ 12,659

J. *Home Economics Adult Program*

1962-63	$249,138
1963-64	$249,138

K. *Practical Nurse Training Program*

1962-63	$113,000
1963-64	$113,000

L. *Trade and Industrial Education*

1962-63	$215,000
1963-64	$215,000

M. *Technician Training Program*

1962-63	$247,813
1963-64	$247,813

N. *Distributive Education Adult Program*

1962-63	$ 53,728
1963-64	$ 53,728

O. *Institutional On-Farm Training Program*

1962-63	$ 81,790
1963-64	$ 51,910

P. *Division of Property Utilization*

1962-63	$297,833
1963-64	$303,480

Q. *Mayo State Vocational School*

1962-63	$332,344
1963-64	$219,000

R. *Northern Kentucky State Vocational School*

1962-63	$ 54,960
1963-64	$ 59,219

S. *West Kentucky State Vocational School*

1962-63	$ 63,295
1963-64	$ 69,000

T. *Bureau of Rehabilitation Services*

1962-63	$825,190
1963-64	$864,448

U. *Kentucky Industries for the Blind*

1962-63	$210,010
1963-64	$215,030

V. *Business Enterprises Program*

1962-63	$ 10,820
1963-64	$ 11,368

W. *OASI Disability Determination Program*

X. *School for the Blind*

Y. *School for the Deaf*

1962-63	$ 11,672
1963-64	$ 8,000

2. TEACHERS' RETIREMENT

A. *Teachers' Retirement System*

3. UNIVERSITY OF KENTUCKY

A. *University of Kentucky*

1962-63	$ Amount Received
1963-64	$ Amount Received

B. *Medical Center*

1962-63	$ 656,160
1963-64	$1,507,570

4. EASTERN STATE COLLEGE

A. *Eastern State College*

1962-63	$ Amount Received
1963-64	$ Amount Received

5. WESTERN STATE COLLEGE

A. *Western State College*

1962-63	$ Amount Received
1963-64	$ Amount Received

6. MURRAY STATE COLLEGE

A. *Murray State College*

1962-63	$ Amount Received
1963-64	$ Amount Received

7. MOREHEAD STATE COLLEGE

A. *Morehead State College*

1962-63	$ Amount Received
1963-64	$ Amount Received

8. KENTUCKY STATE COLLEGE

A. *Kentucky State College*

1962-63	$ Amount Received
1963-64	$ Amount Received

9. LINCOLN INSTITUTE

A. *Lincoln Institute*

1962-63	$107,190
1963-64	$107,000

10. LIBRARY EXTENSION DIVISION

A. *Library Extension Division*

1962-63	$235,360
1963-64	$235,360

11. KENTUCKY HISTORICAL SOCIETY

A. *Kentucky Historical Society*

1962-63	$ 10,255
1963-64	$ 9,600

III. HEALTH AND WELFARE

1. DEPARTMENT OF HEALTH

A. *General Operations and County Health*

1962-63	$3,199,286
1963-64	$3,296,758

B. *Hospital Construction—Federal*

2. DEPARTMENT OF MENTAL HEALTH

A. *Department of Mental Health*

1962-63	$1,115,560
1963-64	$1,121,315

3. STATE TUBERCULOSIS HOSPITAL COMMISSION

A. *State Tuberculosis Hospital Commission*

1962-63	$215,000
1963-64	$120,425

4. DEPARTMENT OF ECONOMIC SECURITY

A. *Department of Economic Security*

5. DEPARTMENT OF CHILD WELFARE

A. *Department of Child Welfare*

1962-63	$367,010
1963-64	$367,010

6. KENTUCKY COMMISSION FOR HANDICAPPED CHILDREN

A. *Kentucky Commission for Handicapped Children*

1962-63	$972,980
1963-64	$972,980

7. DEPARTMENT OF WELFARE

A. *Central Office*

B. *Penal Institutions*

1962-63	$104,300
1963-64	$104,300

C. *Prison Industries*

1962-63	$799,600
1963-64	$802,910

8. MENTAL RETARDATION

A. *Mental Retardation*

IV. RESOURCES DEVELOPMENT

1. DEPARTMENT OF CONSERVATION

A. *General Operations*

1962-63	$621,725
1963-64	$664,110

B. *Division of Soil and Water Resources—Specialized Equipment Revolving Fund*

2. DEPARTMENT OF FISH AND WILDLIFE RESOURCES

A. *Department of Fish and Wildlife Resources*

3. DEPARTMENT OF MINES AND MINERALS

A. *Department of Mines and Minerals*

1962-63	$148,520
1963-64	$135,100

4. DEPARTMENT OF AGRICULTURE

A. *General Operations*

1962-63	$336,650
1963-64	$336,185

B. *Dog Law—Administration and Indemnities and County Share*

5. DEPARTMENT OF ECONOMIC DEVELOPMENT

A. *General Operations*

1962-63	$508,000
1963-64	$535,914

B. *Industrial Finance Authority*

6. DEPARTMENT OF INDUSTRIAL RELATIONS

A. *Workmen's Compensation Board*

1962-63	$356,580
1963-64	$354,170

B. *Subsequent Claim Fund*

7. DEPARTMENT OF AERONAUTICS

A. *General Operations*

1962-63	$ 24,500
1963-64	$ 24,500

B. *Airport Development.* All federal and local aid received.

8. STATE FAIR BOARD

A. *State Fair Board*

9. DEPARTMENT OF PARKS

A. *Department of Parks*

1962-63	$3,152,100
1963-64	$3,356,100

10. STATE PARK BOARD

A. *State Park Board*

11. MILK MARKETING AND ANTI-MONOPOLY COMMISSION

A. *Milk marketing and Anti-Monopoly Commission*

V. SAFETY AND REGULATORY

1. DEPARTMENT OF PUBLIC SAFETY

A. *Division of State Police*

1962-63	$106,000
1963-64	$ 96,000

B. *Division of Driver Licensing.* For expenses and receipts connected with providing driver records to insurance companies and others having legitimate needs for the records.

1962-63	$ 47,210
1963-64	$ 46,870

C. *Liquefied Petroleum Gas Bureau—Fire Prevention*

1962-63	$ 36,500
1963-64	$ 36,500

2. DEPARTMENT OF MILITARY AFFAIRS

A. *Department of Military Affairs*

1962-63	$153,025
1963-64	$133,310

3. PUBLIC SERVICE COMMISSION

A. *Public Service Commission*

1962-63	$377,435
1963-64	$342,400

4. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL

A. *Confiscation Expense*

1962-63	$ 900
1963-64	$ 900

5. DEPARTMENT OF BANKING

A. *General Operations*

1962-63	$213,385
1963-64	$217,240

B. *Division of Securities*

1962-63	$ 51,825
1963-64	$ 53,295

6. DEPARTMENT OF INSURANCE

Notwithstanding any provisions of KRS 304.463 to the contrary, the following receipts only are authorized to be placed to the credit of the Trust and Agency Fund and are authorized for expenditure out of the Trust and Agency Fund. All other receipts collected during the 1962-64 biennium shall be placed to the credit of the General Expenditure Fund.

A. *Custodian of Securities.* All sums paid for expenses under the provisions of KRS 304.503.

B. *Insurance Examiners Expense.* All fees paid pursuant to the provisions of KRS 304.035. Notwithstanding the provisions of KRS 304.035 to the contrary, any amount unexpended at the end of the 1961-62 fiscal year and each fiscal year thereafter in excess of $10,000 shall lapse to the General Expenditure Fund.

C. *State Fire and Tornado Insurance Fund.* No funds may be used for expenses of administration.

7. DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

A. *Board of Accountancy*
B. *Board of Psychology*
C. *Board of Examiners and Registration of Architects*
D. *Board of Barber and Beautician Examiners*
E. *Board of Chiropractic Examiners*
F. *Board of Dental Examiners*
G. *Board of Embalmers and Funeral Directors*
H. *Board of Pharmacy*
I. *Board of Prophylactic Enforcement*
J. *Board of Nursing Education and Nurse Registration*
K. *Board of Veterinary Examiners*
L. *Board of Registration for Professional Engineers*
M. *Kentucky Real Estate Commission*
N. *Board of Optometric Examiners*
O. *Board of Chiropody*
P. *Board of Ophthalmic Dispensers*
Q. *Board of Examiners in Watchmaking*
R. *Board of Physical Therapy*

VI. OTHER

1. COUNTY FEES

A. *Jefferson County Master Commissioner*
B. *Jefferson County Receiver*

C. *County Fees for the Following Counties: Jefferson, Kenton, Fayette, Campbell, and Pike.* For paying the various officials of each county enumerated above, seventy-five per cent (75%) of the fees provided by law to be paid, by the State, to these officials when their claims for fees have been presented to the Department of Finance in the form and manner prescribed by law and approved by the Commissioner of Finance, and to pay to the Fiscal Court of each of these counties twenty-five per cent (25%) of said fees as required by KRS 64.350.

2. TRUCK LICENSES–COUNTY SHARE

A. *Truck Licenses–County Share.* There shall be credited to this fund for the purpose of distribution to counties such portion of truck licenses as is provided by law, at such times as the Department of Finance may order.

3. COUNTY COSTS

A. *Commonwealth Attorneys Expense Accounts*

PART FOUR

GENERAL PROVISION

1. Nothing in this Act shall be construed to repeal any appro-

priation for the fiscal year ending June 30, 1962, and nothing in this Act is to be construed to amend or alter the provisions of Chapter 42 of the Kentucky Revised Statutes pertaining to the duties and powers of the Commissioners of Finance. All questions that arise in interpreting any appropriation in this Act as to the purpose for which the same may be expended shall be decided by the Commissioner of Finance in accordance with the detailed estimates embodied in the budget report, and supporting work papers, as considered by the General Assembly, and the decision of the Commissioner of Finance shall be final and conclusive.

2. WHEREAS, the finances of the Commonwealth can not be ascertained at this time, and since the actual needs of each officer, department, board, commission, institution, or subdivision of the State Government can only be anticipated and not finally determined by the General Assembly, and since the total amount of revenue accruing to the General Expenditure Fund and to the General Road Fund from which these appropriations are made can only be anticipated through existing laws and those that may hereafter be enacted, it is the purpose and intention of this Act that the expenditures for each fiscal year under Part 1 of this Act shall not exceed the total financial resources anticipated to accrue to the General Expenditure Fund and that the expenditures for each fiscal year under Part 2 of this Act shall not exceed the total financial resources anticipated to accrue to the General Road Fund for the same fiscal year respectively. As the conditions can not be fully determined until after the adjournment of the 1962 General Assembly, and as the needs of each officer, department, board, agency, commission, institution, or subdivision of the State Government and the total financial resources accruing to the General Expenditure Fund and General Road Fund can not be fully determined at this time, it is the intention and the purpose of this General Assembly that the Commissioner of Finance, with the advice of the Commissioner of Revenue and the approval of the Governor of the Commonwealth, is authorized, empower and directed to ascertain and determine the needs of each officer, department, board, commission, institution or subdivision of the State Government, and to ascertain the total financial resources anticipated to accrue to the General Expenditure Fund and General Road Fund of the Commonwealth, and upon the ascertainment and determination of said facts, he, the Commissioner of Finance, in the manner set forth and as provided by general law, is authorized, empowered and directed by the General Assembly to prevent an overdraft or deficit in any fiscal year for which appropriations are herein made, by equitably reducing, according to need, without discrimination, the appropriations herein made in Part 1 and Part 2 to any officer, department, board, commission, institution, or subdivision of the State

Government; provided that the power vested shall not permit any reduction of the appropriation of any officer, department, board, commission, institution, or subdivision of the State Government that will actually impair the necessary constitutional functions of any agency whose operations and functions are determined to be necessary constitutional functions of government.

3. Revenues collected in 1962-63 in excess of the revenue estimate of $232,000,000, but not to exceed $1,000,000 shall be appropriated to the General Contingency Fund for expenditure in accordance with Part I, Section 3., C. of this Act.

4. If the Commissioner of Finance determines at any time during the 1962-64 biennium that funds appropriated for Veterans Bonus Debt Service are in excess of amounts required to meet principal and interest payments during the biennium, the Commissioner of Finance shall cause the appropriations to be reduced by the amounts not required for principal and interest. The appropriation for capital construction shall be increased in an amount equal to the reduction in the appropriation for Veterans Bonus Debt Service.

5. Anything in any statutes of the Commonwealth to the contrary notwithstanding, Eastern Kentucky State College, Western Kentucky State College, Murray State College, Morehead State College, Kentucky State College and the University of Kentucky are hereby authorized and empowered, with the approval of the Commissioner of Finance, to utilize funds available from any appropriated source, for the purpose of cooperating to the fullest extent possible with federal agencies in such programs as may be proposed by the Federal Government involving the use of federal funds for educational purposes, programs, and buildings in conjunction with the colleges and the University.

6. In enacting this Appropriation Act, it is the deliberate intention of the General Assembly to enact each section, and each subsection thereof, as a separate and/or specific appropriation and law, and if any section or any subsection thereof shall be held invalid, or unconstitutional, the decision of the courts shall not effect or impair any of the remaining sections, subsections, or provisions contained herein.

7. All continuing appropriations in existence at the time this Act takes effect are discontinued and repealed by this Act, except as provided by Chapter 12, 42, 45, 56, 157, 177, and 341 of the Kentucky Revised Statutes. All laws and parts of laws in conflict with any of the provisions of the above enactment, to the extent of such conflict, are repealed.

Committee on Rural Roads and Highways reported **SB 34** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 34, AN ACT relating to state property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Department of Highways is authorized to plant or set trees on and along any and all rights-of-way of highways or state property adjacent thereto, and to cut and sell wood, lumber or forest products therefrom.

Section 2. All proceeds from the sale of such wood, lumber or forest products shall be held in a separate fund for the maintenance, construction or improvement of highways, or the acquiring of rights-of-way, and the improvement or development thereof.

Section 3. The Division of Forestry shall furnish to the Department of Highways such seedlings or young trees as the department may require, or as may be available. The Department of Highways shall pay to the Division of Forestry the reasonable value thereof as may be agreed upon between such departments.

Calendar

SB 42, SB 27, SB 13, SB 22, SB 25, SB 6 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Reference of Bills and Resolutions

The Clerk announced that the following bills and resolutions had been referred:

Classifications of Towns and Cities: **HB 7.**
Constitutional Amendments: **SB 59, SR 19.**
Ways and Means: **SB 60.**
National and Civil Defense: **SB 61.**
Courts and Legal Procedure: **SB 62, SB 70, SR 17.**
Administrative Agencies: **SB 63.**
Criminal Law: **SB 64.**
Municipalities: **SB 65, SB 68.**
Revenue and Taxation: **SB 66.**
Ky. Statutes #1: **SB 67.**
Higher Education: **SB 69.**
Regulations of Intoxicating Liquors: **SB 71.**
Charitable, Penal and Reformatory Institutions: **SB 72.**
Banks and Banking: **SB 73, SB 74, SB 75, SB 76, SB 77, SB 78.**
Ky. Statutes #2: **SB 79, SB 80, SB 81.**
Agriculture and State Fair: **SB 82.**
Executive and Legislative Affairs: **SR 18.**

Senator Ware moved that the Senate adjourn until 1:00 p.m., Tuesday, January 23. Agreed.

TUESDAY, JANUARY 23, 1962
EIGHTEENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend J. Carter Roberts, Pastor of the Church of the Nazarene of Frankfort.

The roll was called and all were present.

Reading of Journal for January 22 dispensed with and the same approved on motion of Senator McCann.

Introduction of Bills

SB 97, by Senator Duffy: AN ACT relating to Installment Sales Contracts.

SB 98, by Senator Kelly: AN ACT relating to motor vehicles.

SB 99, by Senator White: AN ACT relating to classified service.

SB 100, by Senator Ware: AN ACT relating to banks and trust companies.

Report of Committees

Committee on Towns and Cities reported **SB 44**, **HB 7** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 44, AN ACT changing the classification of the City of Campbellsville, in Taylor County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Campbellsville, in Taylor County, is such as to justify its being classified as a city of the third class;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Campbellsville, in Taylor County, is transferred from the fifth to the third class of cities.

HB 7, AN ACT changing the classification of the City of Hindman, in Knott County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Hindman, in Knott County, is such as to justify its being classified as a city of the fifth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The City of Hindman, in Knott County, is transferred from the sixth to the fifth class of cities.

Section 2. Whereas funds are now on deposit sufficient to provide for water and sewage systems, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

Committee on Courts and Legal Procedure reported **SR 17** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SR 17, A JOINT RESOLUTION authorizing reimbursement to Frank DeRossett for funds expended by him to secure the appearance of witnesses for and in behalf of the Commonwealth in the case of *Commonwealth of Kentucky v. Marion Hatfield.*

WHEREAS, it appears that the dwelling of Mr. and Mrs. Frank DeRossett, located in Water Gap, Kentucky, was severely damaged by dynamite that was placed there by someone; and

WHEREAS, the Commonwealth of Kentucky prosecuted a Marion Hatfield for this grevious offense; and

WHEREAS, Frank DeRossett expended the sum of five hundred dollars and sixty-three cents to secure the appearance of witnesses from the federal penitentiary in Atlanta, Georgia, for the prosecution of this case; and

WHEREAS, this action by Frank DeRossett was necessary and essential and greatly aided the Commonwealth in its efforts to maintain the peace and dignity of this Commonwealth and to secure the protection of the property and person of each and every inhabitant;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That Frank DeRossett has a proper claim against the Commonwealth in the amount of five hundred dollars and sixty-three cents for money expended by him to secure the appearance of witnesses for and in behalf of the Commonwealth in the case of *Commonwealth v. Marion Hatfield.*

Section 2. That, it appearing that said claim has not been paid, the Commissioner of Finance is hereby authorized and directed to draw a warrant in favor of Frank DeRossett, in the amount aforesaid and transmit same to the State Treasurer, who shall issue a check in favor of the said Frank DeRossett in the amount of five hundred dollars and sixty-three cents.

Committee on Public Health reported **SB 49**, **SB 45** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 49, AN ACT relating to barbiturate drugs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 217.471 of the Kentucky Revised Statutes is amended to read as follows:

Duly licensed pharmacists may sell, dispense and furnish any barbiturate only upon the prescription of a practitioner and then only if the container of such barbiturate bears a label showing the name and address of the pharmacy or pharmacist, the name of the person for whom the barbiturate was prescribed, *the name and address of the prescribing physician,* the date of filling the prescription, and if for an animal, the specie and owner of same. All such prescriptions shall be numbered and filed and retained for at least two years. No such prescription shall be refilled except upon authorization of the prescribing practitioner. *A record shall be kept of all such refills.*

SB 45, AN ACT relating to narcotic drugs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 218.010 of the Kentucky Revised Statutes is amended to read as follows:

The following words and phrases, as used in this chapter, shall have the following meanings, unless the context otherwise requires:

(1) "Person" includes any corporation, association, copartnership, or one or more individuals.

(2) "Physician" means a person authorized by law to practice medicine in this state and any other person authorized by law to treat sick and injured human beings in this state and to use narcotic drugs in connection with such treatment.

(3) "Dentist" means a person authorized by law to practice dentistry in this state.

(4) "Veterinarian" means a person authorized by law to practice veterinary medicine in this state.

(5) "Manufacturer" means a person who by compounding, mixing, cultivating, growing, or other process, produces or prepares narcotic drugs, but does not include an apothecary who compounds narcotic drugs to be sold or dispensed on prescriptions.

(6) "Wholesaler" means a person who supplies narcotic drugs that he himself has not produced nor prepared, on official written orders, but not on prescriptions.

(7) "Apothecary" means a licensed pharmacist as defined by the laws of this state and, where the context so requires, the owner of a store or other place of business where narcotic drugs are compounded or dispensed by a licensed pharmacist; but nothing in this chapter shall be construed as conferring on a person who is not registered nor licensed as a pharmacist any authority, right, or privilege, that is not granted to him by the pharmacy laws of this state.

(8) "Hospital" means an institution for the care and treatment of the sick and injured, approved by the State Board of Health as proper to be entrusted with the custody of narcotic drugs and the professional use of narcotic drugs under the direction of a physician, dentist, or veterinarian.

(9) "Laboratory" means a laboratory approved by the State Board of Health as proper to be entrusted with the custody of narcotic drugs and the use of narcotic drugs for scientific and medical purposes and for purposes of instruction.

(10) "Sale" includes barter, exchange, or gift, or offer therefor and each such transaction made by any person, whether as principal, proprietor, agent, servant, or employe.

(11) "Coca leaves" includes cocaine and any compound, manufacture, salt, derivative, mixture, or preparation of coca leaves, except derivatives of coca leaves which do not contain cocaine, ecgonine, or substances from which cocaine or ecgonine, may be synthesized or made.

(12) "Opium" includes morphine, codeine, and heroin, and any compound, manufacture, salt, derivative, mixture, or preparation of opium, but does not include apomorphine or any of its salts.

(13) "Cannabis" includes all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin, but shall not include the mature stalks of such plant, fiber produced from such stalks, oil or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber oil, or cake, or the sterilized seed of such plant which is incapable of germination.

(14) "Narcotic Drugs" includes coca leaves, opium, isonipecaine (the substance identified chemically as 1-methyl-4-phemylpiperidine-4-carboxylic acid ethyl ester, or any salt thereof by whatever trade

name identified), cannabis, every other substance neither chemically nor physically distinguishable from them, and any drug having an addiction-forming or addiction-sustaining liability similar to morphine or cocaine which is designated [by proclamation of the President of the United States and] by regulation of the State Board of Health as a narcotic drug.

(15) "Federal Narcotic Laws" means the laws of the United States relating to opium, coca leaves, and other narcotic drugs.

(16) "Official written order" means an order written on a form provided for that purpose by the United States Commissioner of Narcotics, under any laws of the United States making provision therefor, if such order forms are authorized and required by Federal law, and if no such order form is provided, then on an official form provided for that purpose by the State Board of Health.

(17) "Dispense" includes distribute, leave with, give away, dispose of, or deliver.

(18) "Registry number" means the number assigned to each person registered under the Federal Narcotic Laws.

Section 2. Section 218.080 of the Kentucky Revised Statutes is amended to read as follows:

Except as otherwise *specifically provided in chapter 218 of the Kentucky Revised Statutes, such* [in this chapter specifically provided, this] chapter shall not apply to the following cases:

(1) Administering, dispensing, or selling at retail of any medicinal preparation that contains in one fluid ounce, or if a solid or semi-solid preparation, in one avoirdupois ounce [,] not more than one grain of codeine or of any of its salts.

(2) The exception authorized by this section shall be subject to the following conditions:

(a) That the medicinal preparation administered, dispensed, or sold, shall contain, in addition to the narcotic drugs in it, some drug or drugs conferring upon it medicinal qualities other than those possessed by the narcotic drug alone; [and]

(b) That such preparation shall be administered, dispensed, and sold in good faith as a medicine, and not for the purpose of evading the provisions of *chapter 218 of the Kentucky Revised Statutes* [this chapter];

(c) *No person shall purchase within a twenty-four hour period more than four ounces of such preparations. Any person purchasing in excess of this limitation shall be deemed to be in illegal possession of narcotics;*

(d) *The sale of preparations exempt under this section at retail shall be by or under the supervision of a registered pharmacist or practitioner.*

(3) Nothing in this section shall be construed to limit the quantity of codeine or of any of its salts that may be prescribed, administered, dispensed [,] or sold, to any person or for the use of any person or animal, when it is prescribed, administered, dispensed, or sold, in compliance with the general provisions of *chapter 218 of the Kentucky Revised Statutes* [this chapter].

Section 3. Section 218.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who sells, supplies, prescribes, administers, dispenses or furnishes, or causes to be sold, supplied, prescribed, administered, dispensed or furnished, any narcotic drug in violation of *chapter 218 of the Kentucky Revised Statutes* [this chapter] to a person under twenty-one years of age, shall be guilty of a felony and shall be fined not more than twenty thousand dollars and confined in the penitentiary for not less than twenty years, and may be so confined for a longer period or for life.

(2) (a) Any person in possession of any narcotic drug in violation of any provision of *chapter 218 of the Kentucky Revised Statutes* [this chapter, except KRS 218.250], shall be guilty of a felony and shall, for the first offense be punished by confinement in the penitentiary for not less than two years nor more than ten years and by a fine of not more than twenty thousand dollars, and for each subsequent offense be punished by confinement in the penitentiary for not less than five years nor more than twenty years and by a fine of not more than twenty thousand dollars.

(b) Any person who violates any provision of *chapter 218 of the Kentucky Revised Statutes* [this chapter], for which a specific penalty is not otherwise provided [except KRS 218.250], shall be guilty of a felony and shall, for the first offense, be punished by confinement in the penitentiary for not less than five years nor more than twenty years and by a fine of not more than twenty thousand dollars, and, for each subsequent offense be punished by confinement in the penitentiary for not less than ten years nor more than forty years, and by a fine of not more than twenty thousand dollars.

(3) No court or judge thereof shall postpone or suspend judgment or sentence or probate a defendant when the defendant has pleaded guilty to or been convicted of selling, supplying, prescribing, administering, dispensing or furnishing, or causing to be sold, supplied, prescribed, administered, dispensed or furnished, any narcotic drug in violation of *chapter 218 of the Kentucky Revised Statutes* [this chapter] to a person under twenty-one years of age,

or when the defendant has previously pleaded guilty to or been convicted of a violation of any of the other provisions of *chapter 218 of the Kentucky Revised Statutes* [this chapter], except KRS 218.250, or has previously pleaded guilty to or been convicted of a violation of any of the narcotic laws of the United States of America or any state or territory thereof.

(4) Whenever a person charged with a violation of subsection (1) of KRS 218.250 waives a jury, the court or judge thereof may, upon the defendant pleading or being found guilty, sentence the defendant to imprisonment for twelve months without the intervention of a jury. Notwithstanding the provisions of subsection (2) of KRS 218.250, no court or judge thereof shall postpone or suspend judgment or sentence or probate a defendant when the defendant has pleaded guilty to or been convicted of a violation of KRS 218.250, unless the defendant consents to enter, and forthwith enters an institution approved by the court for the treatment of narcotic addicts and remains therein until discharged by said institution; failure of the defendant to do so shall automatically revoke his probation and require the prompt entry of judgment and service of sentence in the county jail.

(5) Any person who violates subsection (2) of KRS 218.160 shall be punished by a fine of not less than one hundred dollars nor more than five hundred dollars, and for each subsequent offense shall be punished by imprisonment in the county jail for ninety days and by a fine of not less than five hundred dollars.

Committee on Public Health reported **SB 57** without expression of opinion.

Recess

Senator Miller moved that the Senate recess for ten minutes for the purpose of having a Republican Caucus. Agreed.

At the appointed hour the President resumed the Chair.

Calendar

HB 40, SB 34 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 42 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 42.** Agreed.

On roll call, the vote was yeas 31—Bonn, Brand, Conley, Craft, Derickson, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Duffy moved that the vote by which **SB 42** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 27 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller moved the Previous Question on **SB 27.** Agreed.

On roll call, the vote was yeas 32—Bishop, Bonn, Brand, Buckman, Conley, Craft, Derickson, Duffy, Edwards, Fuqua, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 13 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the Previous Question on **SB 13.** Agreed.

On roll call, the vote was yeas 33—Bishop, Bonn, Brand, Buckman, Conley, Craft, Derickson, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Kelly moved that the vote by which **SB 13** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 22 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 22.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Brand, Conley, Craft, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 22** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 25 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Hehl moved the Previous Question on **SB 25.** Agreed.

On roll call the vote was yeas 36—Bishop, Blue, Bonn, Brand, Conley, Craft, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White, Nays 0.

Senator Hehl moved that the vote by which **SB 25** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 6 with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

The President vacated the Chair, Senator Kidwell, President Pro Tem presiding.

Senator Garnett moved the Previous Question on the Committee Amendment to **SB 6.** Agreed.

Senator Garnett moved the adoption of the Committee Amendment to **SB 6.** Agreed.

Senator Garnett moved the Previous Question on **SB 6** as amended. Agreed.

On roll call, the vote was yeas 19—Bonn, Brand, Buckman, Craft, Derickson, Duffy, Fuqua, Garnett, Garrett, Hehl, Hickerson, Kidwell, Kinkead, Mann, Nichols, Palmer, Raney, Turner, Ware. Nays 7—Gardner, Howard, Johnson, Kiser, Logan, Overbey, Swope.

Senator Garnett moved that the vote by which **SB 6** was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Ware moved that the Senate adjourn until 1:00 p.m., Wednesday, January 24. Agreed.

WEDNESDAY, JANUARY 24, 1962
NINETEENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend J. Carter Roberts, Pastor of the Church of the Nazarene of Frankfort.

The roll was called and all were present.

Reading of Journal for January 23 dispensed with and the same approved on motion of Senator McCann.

House Message

Announcing passage of **HB 21, HB 62, HB 71, HB 72.**

On motion of Senator McCann, Mr. Joseph Healey was given the privilege of the floor.

Introduction of Bills

SB 101, by Senator McCann: AN ACT relating to the right of physicians to practice in hospitals totally or partially supported by public funds.

SB 102, by Senators Kiser, Raney, Craft, Nichols, Martin and Blue: AN ACT relating to workmen's compensation.

SB 103, by Senators Johnson, Swope, Bishop, Howard, Duncan, Miller, McGinty and Fuqua. AN ACT relating to the displaying of the United States flag.

SB 104, by Senator Ware: AN ACT relating to the correction of the Kentucky Revised Statutes.

SB 105, by Senator Johnson: AN ACT relating to the blind.

SB 106, by Senator Derickson: AN ACT relating to boards of equalization.

SB 107, by Senators Kiser, Gardner, Kelly, Martin, Hickerson, Raney, Overbey, Buckman, White and Palmer: AN ACT making an additional appropriation to rural roads.

SB 108, by Senator Buckman: AN ACT relating to state police.

SB 109, by Senator Howard: AN ACT relating to taxation.

Report of Committees

Committee on Administrative Agencies reported **SB 46** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 46, AN ACT relating to city-county boards of health in counties containing cities of the second class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 212.640 of the Kentucky Revised Statutes is amended to read as follows:

In any county containing a city of the second class the fiscal court of the county and the legislative body of the city of the second class may, by joint action, establish a city-county health department. The department when established shall be governed by a city-county board of health composed of *six* [five] members, one of whom shall be either the mayor or city manager of the city, whichever is appointed by the city legislative body, one of whom shall be the county judge, *one of whom shall be a dentist,* and three of whom shall be physicians appointed in like manner as *dental and* physician members are appointed on county boards of health and to hold office as provided in KRS 212.020.

Committee on Constitutional Amendments reported **SR 19** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SR 19, A CONCURRENT RESOLUTION relative to federal income taxation of the interest derived from public bonds.

WHEREAS, the State of Kentucky and the political subdivisions thereof have in the past and are now currently engaged in financing, through the issuance of bonds, needed public improvements such as the building of schools, highways, toll roads and other projects for the promotion of the health, safety, and welfare of the people; and

WHEREAS, the interest income which the owner derives from such bonds has in the past and is now currently exempt from the imposition of any federal income tax; and

WHEREAS, the federal taxation of the interest of such bonds, as income, would result in the curtailment of construction of needed public improvements, and would result in either an increase of taxes imposed by the State of Kentucky and any political subdivision thereof in order to pay higher interest costs, or the assumption by the federal government of the responsibility of financing such improvements; and

WHEREAS, there is currently a national movement to permit the imposition of the federal income tax on the interest income from the bonds issued or to be issued by the several states and their political subdivisions;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the General Assembly of the State of Kentucky respectfully memorializes the President and the Congress of the United States to oppose any amendment of the Constitution of the United

States, or any other action by the Congress of the United States, or the executive branch thereof, which would have the effect of subjecting the income from state and local bonds to a federal tax or to cause the tax to be increased because of such bond holdings by a taxpayer whether or not the increase is in fact titled a tax; and

Section 2. That the Clerk of the Senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from Kentucky in the Congress of the United States.

The Committee on Committees made the following report:

Report of Senate Committee on Committees

January 24, 1962

Pursuant to the provisions of House Joint Resolution 10, 1962 regular session of the General Assembly, the Senate Committee on Committees appoints the following named Senators to the Joint Committee on State Government Operations:

Senator Richard L. Garnett
Senator Archie Craft
Senator Shelby C. Kinkead
Senator Durham W. Howard

Calendar

SB 44, **HB 7**, **SR 17**, **SB 49**, **SB 45**, taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 40 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 40**. Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Derickson, Duffy, Duncan, Fuqua, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 4—Edwards, Gardner, Johnson, Logan.

Senator Ware moved that the vote by which **HB 40** was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Raney moved that the Rules be suspended for the purpose of speaking to a point of personal privilege. Agreed.

Senator Buckman moved that the Rules be suspended and that the entire membership of the Senate stand in a vote of confidence to Senator Raney. Agreed.

Senator Raney moved that the Rules be suspended for the purpose of introducing a resolution. Agreed.

Introduction of Resolution

SR 20, by Senator Raney: A RESOLUTION requesting that the Joint Committee on State Government Operations conduct an investigation of the bribery charges as related by the Senator from the 31st District.

The President announced reference of **SR 20** to the Committee on Committees.

Orders of the Day

SB 34 taken from Orders of the Day. Senator Ware moved that consideration of said bill be deferred and that it retain its place in Orders of the Day. Agreed by a majority of members elected.

Reference of Bills

The Clerk announced that the following bills had been referred:

Appropriations: **SB 83**

Administrative Agencies: **SB 84, SB 86, SB 96**

Insurance: **SB 85, SB 88, SB 92**

Rural Roads and Highways: **SB 87, SB 89**

Courts and Legal Procedure: **SB 90, SB 93, SB 95**

Banks and Banking: **SB 91**

Municipalities: **SB 94**

Senator Ware moved that the Senate adjourn until 1:00 p.m., Thursday, January 25. Agreed.

THURSDAY, JANUARY 25, 1962
TWENTIETH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend J. Carter Roberts, Pastor of the Church of the Nazarene of Frankfort.

The roll was called and all were present.

Reading of Journal for January 24 dispensed with and the same approved on motion of Senator McCann.

Introduction of Bills

SB 110, by Senator McCann: AN ACT relating to repair of television sets.

SB 111, by Senator Craft: AN ACT relating to Development of the Arts and Crafts Industry.

SB 112, by Senator Bishop: AN ACT relating to public assistance.

SB 113, by Senators Ware, Buckman, Martin, Duncan and Craft: AN ACT relating to higher education.

SB 114, by Senators Ware and Hehl: AN ACT relating to crime.

SB 115, by Senator Ware: AN ACT relating to city civil service.

SB 116, by Senator Ware: AN ACT relating to alcoholic beverages.

SB 117, by Senator Ware: AN ACT relating to industrial loan companies.

SB 118, by Senator Ware: AN ACT relating to the Department of Child Welfare and to Child Welfare and adoption.

SB 119, by Senator Ware: AN ACT relating to juvenile courts.

SB 120, by Senator Ware: AN ACT relating to the National Guard.

SB 121, by Senator Ware: AN ACT relating to the Active Militia.

SB 122, by Senator Ware: AN ACT relating to Industrial Development Finance.

SB 123, by Senator Kiser: AN ACT relating to sanitation and adequate shelter for certain railroad employes.

SB 124, by Senators White and Raney: AN ACT relating to Credit and the Disclosure of Finance Charges.

SB 125, by Senator Kinkead: AN ACT relating to the disclosure of information by an employe received in the course of his employment.

SB 126, by Senator Mann: AN ACT relating to leave of absence of school teachers.

SR 21, by Senator Johnson: A RESOLUTION to support all efforts to adopt such legislation as will effectuate the reopening of the Harlan office of the Veterans Administration.

Senator Johnson moved that **SR 21** be read at length. Agreed.

SR 21, A RESOLUTION, by the Senate of the Commonwealth of Kentucky that it will support and approve all efforts to and adopt such legislation as will effectuate the reopening of the Harlan office of the Veterans Administration.

WHEREAS, the Veterans Administration having made the decision to close, and in fact, has closed the subordinate office located in Harlan, Kentucky as of December 29, 1961; and

WHEREAS, the Harlan office constituted the only readily accessible facility for the adjudication of the problems of approximately fifty-thousands of veterans, their widows and children, in Southeastern Kentucky; and

WHEREAS, the sole remaining Veterans Administration office in the Commonwealth is located in Louisville, Kentucky, which is approximately two hundred miles from Harlan, Kentucky; and

WHEREAS, Southeastern Kentucky is an economically depressed area and the veteran-citizens of that area are solely in need of all their funds for the necessities of life instead of expending such funds for long and unnecessary journeys to Louisville; and

WHEREAS, the reopening of the Harlan office of the Veterans Administration would result in a great and lasting benefit to the many veterans, their widows and children, who reside in Southeastern Kentucky;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That it will support and approve all efforts to and adopt such legislation as will effectuate the reopening of the Harlan, Kentucky office of the Veterans Administration.

Senator Johnson moved the adoption of **SR 21.** Agreed.

Report of Committees

Committee on Revenue and Taxation reported **SB 3** with the expression of opinion that same should not pass.

Calendar

SB 46, SR 19 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

The President vacated the chair, and Senator Kidwell, President Pro Tem, presided.

Orders of the Day

SB 34 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garnett moved the Previous Question on **SB 34.** Agreed.

On roll call, the vote was yeas 27—Blue, Brand, Buckman, Conley, Derickson, Duffy, Edwards, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 9—Bishop, Craft, Duncan, Fuqua, Hickerson, Johnson, McGinty, Miller, Swope.

Senator Garnett moved that the vote by which **SB 34** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 44 taken from Orders of the Day. Senator Ware moved that consideration of **SB 44** be deferred and that it retain its place in Orders of the Day. Agreed.

HB 7 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Martin moved the Previous Question on **HB 7.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Brand, Buckman, Conley, Craft, Derickson, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

Senator Martin moved that the vote by which **HB 7** was passed be reconsidered and that said motion be laid on the table. Agreed.

SR 17 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator McCann moved the Previous Question on **SR 17.** Agreed.

On roll call, the vote was yeas 35—Bishop, Blue, Brand, Buckman, Conley, Craft, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Martin moved that the vote by which **SR 17** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 49 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only.

Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 49.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Brand, Conley, Craft, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 49** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 45 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 45.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Brand, Conley, Craft, Derickson, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Johnson.

Senator Ware moved that the vote by which **SB 45** was passed be reconsidered and that said motion be laid on the table. Agreed.

Motions, Petitions and Communications

Senator Ware moved that when the Senate adjourns today, it adjourn to meet again at 10 a.m., Friday, January 26. Agreed.

Reference of Bills and Resolutions

The Clerk announced that the following bills and resolution had been referred:

Courts and Legal Procedure: **SB 97, SB 98, HB 71**

Administrative Agencies: **SB 99**

Banks and Banking: **SB 100**

Ky. Statutes No. 1: **SR 20**

Ways and Means: **HB 21**

Criminal Law: **HB 62**

Judiciary and Judicial Council: **HB 72**

Report on Enrolled Bill

Committee on Enrollment reported that **HB 40** had been examined and found correctly enrolled. **HB 40** read at length, compared, and signed in open session by the President Pro Tem. **HB 40** ordered delivered to the House.

Senator Ware moved that the Senate adjourn until 10 a.m., Friday, January 26. Agreed.

FRIDAY, JANUARY 26, 1962

TWENTY-FIRST LEGISLATIVE DAY

The Senate was called to order by the President Pro Tem, Senator Alvin Kidwell.

Prayer by the Reverend J. Carter Roberts, Pastor of the Church of the Nazarene of Frankfort.

The roll was called. All present except Senator White, who was granted leave of absence on motion of Senator McCann.

Reading of Journal for January 25 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions and Communications

Senator Gardner moved that **SB 3** be taken from the Clerk's desk and read into the Calendar.

The President Pro Tem ruled that Senator Gardner's motion was not in order since **SB 3** was not on the Clerk's desk.

Senator Overbey moved that **SB 3** be read for the third time by title only and read into the Calendar.

The President Pro Tem ruled that Senator Overbey's motion was incorrectly stated.

Recess

Senator Overbey moved that the Senate recess for three minutes. Agreed.

At the appointed hour the President Pro Tem resumed the chair.

Senator Gardner moved that **SB 3** be taken from the Table. Senator Overbey seconded Senator Gardner's motion.

On roll call, the vote was yeas 5—Edwards, Gardner, Logan, Martin, Overbey. Nays 7—Bonn, Howard, Kelly, Kidwell, McGinty, Miller, Turner.

The motion to take **SB 3** from the Table was defeated.

House Message

Announcing passage of **HB 5, HB 51, HB 73, HB 76, HB 77, HB 78, HB 79, HB 81, HB 82, HB 85, HB 104, HB 108, HB 124, HB 125, HB 126.**

Senator Duffy moved that the Rules be suspended for the purpose of making a committee report. Agreed.

Report of Committee

Senator Duffy, Chairman of the Contest Committee, announced that the Committee had decided the contest in favor of Senator Swope and that a full report would be forthcoming.

Introduction of Bill

SB 127, by Senator McCann: AN ACT relating to powers of first class cities.

Report of Committees

Committee on Judiciary and Judicial Council reported **HB 72** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 72, AN ACT relating to rules of the Court of Appeals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 30.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Court of Appeals shall adopt and promulgate rules:

(a) Defining the practice of law;

(b) Prescribing a code of ethics governing the professional conduct of attorneys and the practice of law;

(c) Establishing practice and procedure for disciplining, suspending and disbarring attorneys;

(d) Organizing and governing a Bar Association of the attorneys of the state to act as an administrative agency of the Court of Appeals for the purpose of enforcing such rules as are adopted and promulgated by the court under this section; providing for the government of the State Bar as a part of the judicial department of state government, and for such divisions thereof as the Court of Appeals determines; requiring all persons practicing law in this state to be members in good standing of the State Bar; and fixing the form of its organization and operation; and,

(e) Fixing fees upon recommendation of the board of Bar Commissioners [not to exceed ten dollars.] to be paid for the purpose of administering this section and the rules adopted and promulgated under it, and for the collection and disbursement of such fees.

(2) The rules of court adopted and promulgated under this section shall supercede all laws or parts of law in conflict therewith, to the extent of the conflict.

(3) No rule adopted and promulgated under this section shall prevent a person not holding himself out as a practicing attorney

for writing a deed, mortgage or will, or prevent a person from drawing any instrument to which he is a party.

Committee on Ways and Means reported **SB 60** with the expression of opinion that same should not pass.

Report on Enrolled Bill

Committee on Enrollment reported that **HB 7** had been examined and found correctly enrolled. **HB 7** read at length, compared, and signed in open session by the President Pro Tem. **HB 7** ordered delivered to the House.

Orders of the Day

SB 44 taken from Orders of the Day. Senator Ware moved that consideration of said bill be deferred and that it retain its place in Orders of the Day. Agreed.

SB 46 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 46**. Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Brand, Buckman, Conley, Derickson, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

Senator Duffy moved that the vote by which **SB 46** was passed be reconsidered and that said motion be laid on the table. Agreed.

SR 19 taken from Orders of the Day. Senator Ware moved that consideration of said resolution be deferred and that it retain its place in Orders of the Day. Agreed.

House Message

Announcing passage of **HR 28**.

Senator Ware moved that the Senate adjourn until 8:00 p.m., Monday, January 31. Agreed.

WEDNESDAY, JANUARY 31, 1962
TWENTY-FOURTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John C. Chenault, Pastor of the First Christian Church of Frankfort.

The roll was called. All present except Senators Conley and Derickson, who were granted leave of absence on motion of Senator Ware.

Reading of Journal for January 26 dispensed with and same approved on motion of Senator Ware.

Motions, Petitions, and Communications

Mrs. Spencer L. Cobb, Senator from the Twenty-Second Senatorial District, appeared before the bar of the Senate, accompanied by the Honorable Bert Combs, Governor of the Commonwealth, President Pro Tem Senator Alvin Kidwell, and Minority Floor Leader, Senator Durham Howard, and was administered the oath of office by Chief Justice Brady Stewart of the Court of Appeals.

Introduction of Bills and Resolutions

SB 128, by Senator Ware: AN ACT relating to control of water as a natural resource.

SB 129, by Senator Ware: AN ACT relating to public library districts.

SB 130, by Senator Ware: AN ACT relating to countersignature of bonds and policies written by non-resident agents, and the sharing of commissions thereunder.

SB 131, by Senator Ware: AN ACT relating to jailer fees.

SB 132, by Senator Ware: AN ACT relating to prisons and prisoners.

SB 133, by Senator Ware: AN ACT relating to the Licensing of Insurance Agents.

SB 134, by Senator Ware: AN ACT relating to military leave for public employees.

SB 135, by Senator Ware: AN ACT relating to paroled prisoners.

SB 136, by Senator Ware: AN ACT relating to probation and parole.

SB 137, by Senator Ware: AN ACT relating to Mortgage Guaranty Insurance.

SB 138, by Senators Hehl, Ware, Kinkead and Turner: AN ACT relating to Motor Vehicles.

SB 139, by Senator Buckman: AN ACT providing a Uniform Acknowledgement Act.

SB 140, by Senator Buckman: AN ACT providing a Uniform Testamentary Additions to Trusts Act.

SB 141, by Senator Duffy: AN ACT relating to judgments.

SB 142, by Senator Swope: AN ACT relating to safety.

SB 143, by Senators Duffy and Howard: AN ACT relating to transportation.

SB 144, by Senator McCann: AN ACT relating to the awarding of contracts by the Division of Purchases and Public Properties.

SB 145, by Senator Ware: AN ACT relating to strip mining and reclamation.

SB 146, by Senator Garnett: AN ACT relating to the Uniform Commercial Code.

SB 147, by Senator Howard: AN ACT relating to crime and punishment.

SR 22, by Senator Kelly: A JOINT RESOLUTION authorizing and directing the payment of expenses incurred by any member of the legislature while any such member is traveling on official business for, and to the benefit of, the Commonwealth.

SR 23, by Senator Kelly: A RESOLUTION requesting and petitioning the Department of Child Welfare to limit aid to dependent children to one illegitimate child per mother.

Motions, Petitions and Communications

The Clerk read the following communication from Commissioner of Highways Henry Ward:

January 25, 1962

State Senator James Ware

Majority Floor Leader

Kentucky Senate

State Capitol Building

Frankfort, Kentucky

Dear Senator Ware:

State Senator Bert Kiser, in his remarks to the Senate on Wednesday, January 24, stated that, "Two years from today, Kentucky (Department of Highways) will not be able to match the money made available to her by the Federal Government." This statement is not factually correct. Kentucky can match every dollar of Federal aid which will be available for both the Interstate system and the ABC systems out of present general obligation bond moneys through the fiscal year of 1966-67.

Senator Kiser also stated, "It (the Kentucky Department of Highways) is operating on borrowed money." This statement needs clarification. The Kentucky Department of Highways is financing the State's share of Federal aid construction and the construction costs of the two toll road projects from borrowed funds. This practice was also followed by the previous administration. No part of the regular operating costs of the Department is financed from borrowed funds.

The technique of using borrowed funds to match Federal aid construction did not originate with the present administration. The previous administration submitted to the voters, and urged passage of, a $100,000,000.00 general obligation bond issue in order for the Commonwealth to take full advantage of Federal aid available.

In fact, one-half of the $14,911,000.00 debt service for the current fiscal year is pledged to pay principal and interest on the general obligation bond issues of 1956 initiated by Governor A. B. Chandler.

I trust this information may be helpful in order to set the record straight.

Very truly yours,
Henry Ward
Commissioner
Department of Highways

Report of Committee

Committee on Kentucky Statutes #1 reported **SR 20** with the expression of opinion that same should pass. Read at length for the first time.

SR 20, A RESOLUTION, requesting that the Joint Committee on State Government Operations conduct an investigation of the bribery charges as related by the Senator from the 31st District.

WHEREAS, the Senator from the 31st District has stated that one or more persons approached him with an illegal offer made in connection with the use of the Senator's ballot on certain matters pending in this body; and

WHEREAS, such activities are not and should not be countenanced, nor suffered to exist in the Commonwealth; and

WHEREAS, this body has been and shall always be, extremely zealous and protective of the free and unhampered rights of its duly elected members to be free from such untoward and undemocratic conduct, such as the Senator from the 31st District has complained of to this body,

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky:

That the Joint Committee on State Government Operations created under House Joint Resolution 10, is hereby requested to utilize the power and authority vested in it to conduct an investigation into the illegal and improper activities complained of by the Senator from the 31st District.

Senator Ware moved the adoption of **SR 20.** Agreed.

Calendar

HB 72 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 44 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Hickerson moved the Previous Question on **SB 44.** Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

Senator Hickerson moved that the vote by which **SB 44** was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Edwards moved the adoption of **SR 19.** Agreed. Adopted by voice vote.

SR 19, A CONCURRENT RESOLUTION relative to federal income taxation of the interest derived from public bonds.

WHEREAS, the State of Kentucky and the political subdivisions thereof have in the past and are now currently engaged in financing, through the issuance of bonds, needed public improvements such as the building of schools, highways, toll roads and other projects for the promotion of the health, safety, and welfare of the people; and

WHEREAS, the interest income which the owner derives from such bonds has in the past and is now currently exempt from the imposition of any federal income tax; and

WHEREAS, the federal taxation of the interest of such bonds, as income, would result in the curtailment of construction of needed public improvements, and would result in either an increase of taxes imposed by the State of Kentucky and any political subdivision thereof in order to pay higher interest costs, or the assumption by the federal government of the responsibility of financing such improvements; and

WHEREAS, there is currently a national movement to permit the imposition of the federal income tax on the interest income from the bonds issued or to be issued by the several states and their political subdivisions;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the General Assembly of the State of Kentucky respectfully memorializes the President and the Congress of the United States to oppose any amendment of the Constitution of the United States, or any other action by the Congress of the United States, or the executive branch thereof, which would have the effect of subjecting the income from state and local bonds to a federal tax or to cause the tax to be increased because of such bond holdings by a taxpayer whether or not the increase is in fact titled a tax; and

Section 2. That the Clerk of the Senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from Kentucky in the Congress of the United States.

Senator Ware moved that the Senate adjourn until 1 p.m., Thursday, February 1. Agreed.

THURSDAY, FEBRUARY 1, 1962
TWENTY-FIFTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John C. Chenault, Pastor of the First Christian Church of Frankfort.

The roll was called. All present except Senators Brand and Derickson, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for January 31 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions and Communications

Senator White moved that Commissioner of Agriculture, Emerson Beauchamp, be made Page Emeritus of the Senate. Agreed.

Senator Buckman moved that the Rules be suspended for the purpose of hearing Commissioner Beauchamp speak. Agreed.

Senator Duffy moved suspension of the Rules for the purpose of giving a report from the Contest Committee. Agreed.

REPORT OF CONTEST COMMITTEE

Your Committee drawn at a former day of this Session to hear the evidence in the contest proceedings of Francis against Swope, beg leave to report that we unanimously find from the facts before us that John W. (Billy) Swope was legally elected by a majority of the votes cast in the election between him and Cabell D. Francis for the office of State Senator from the Eighteenth District.

We further find that at the time said election was held, from the evidence before us, that said Swope was eligible to hold said office of State Senator.

All of which is respectfully submitted.

Martin J. Duffy, Jr.
Chairman of the Contest Committee
George D. Conley
Secretary of the Contest Committee

The following minutes were taken of the various meetings held by the Committee.

OPINION, FINDINGS AND RECOMMENDATIONS OF COMMITTEE

Despite the rather voluminous record that has been compiled in this contest, the issues are relatively simple, due to the fact that there is little or no conflicting testimony or evidence, and there are no allegations of fraud, coercion or intimidation, usually found in election contests.

The Committee was faced with finding answers to two questions raised in the allegations of the Contestant:

1. Should votes be held to be cast illegally where the voters were given assistance in the casting of their votes without first signing an Affidavit as required by K.R.S. 125.140 Sub-Section (2)?

2. Should an absentee ballot be counted when the voter was present in the County on the day of the election, which is covered in K.R.S. 126.295?

Unquestionably the contestant made a strong case for himself when the evidence is read, and at the same time applying a strict and rigid interpretation and application of the two aforementioned statutes to his contentions.

Despite the irregularities which both the contestants and contestee accuse the other of being guilty to their vote advantage, it was stipulated by their counsel that no person, who cast an absentee ballot, did otherwise vote in person or attempt to. Further, there is no evidence that despite the admitted assistance given voters, in violation of the statute, that any voter, and we repeat, **not one voter,** was coerced, influenced or intimidated, and was prevented from voting the way he or she wanted to vote. It was a free and honest election even though it may not have been held according to a strict application of the statutes. The Committee feels it is more important that the election be free and honest, than it be gauged by a rigid enforcement of the law which would result in the disenfranchising of hundreds of otherwise eligible voters.

The Committee is also aware of the Court of Appeals decision in the Kentucky case of *Sizemore vs. Henson,* 264 SW2d, 865, decided on February 14, 1954, recalling K.R.S. 118.280 (2) which reads in part,

> "No ballot shall be rejected for any technical error that does not make it impossible to determine the voter's choice."

had the following to say:

> "We cannot examine these ballots without realizing that the voters were making an honest effort to cast a vote for someone. Doubtless they could have done the job more perfectly, but we have held that it is proper to search out the purpose of the voter and if his intention is manifest, it should be given effect. *Thompson vs. Bolling* 240 Ky. 340, 42 SW2d, 321. We should not disfranchise these voters if it may be

ascertained that a bona fide attempt was made to vote for a particular candidate."

In this contest case, there is no question but that each voter voted for the candidate of his choice. Hence the vote should not be disallowed for a technical error.

The Committee is swayed by the fact that in every precinct, in every election, in every year, there regularly occur the infractions of the election laws of which the contestant is now complaining. The Committee does not condone this conduct, but at the same time, we see no evil in the encouragement of all of our citizens to participate in free, equal and honest elections, even if it means an ignoring of strict and rigid enforcement of existing election laws. This particular election was apparently conducted in the same manner as all other previous elections in this particular Senatorial District were conducted, and we are reluctant and do refuse to disenfranchise these voters for having done what they have always done.

In conclusion, it is our unanimous recommendation that John W. (Billy) Swope be declared to be the duly, legally elected Senator from the Eighteenth Senatorial District of Kentucky, and that he be entitled to retain his present seat.

All of which is Respectfully Submitted.

Senate Election Contest Committee

Martin J. Duffy, Jr. Chairman
George D. Conley, Secretary
Bernard J. Bonn
Shelby C. Kinkead
Fred F. Bishop
Archie Craft
Tom Garrett
Bert Kiser

Senator Duffy moved that the recommended Report of the Contest Committee be adopted.

Senator Logan was recognized to offer an amendment, by way of a resolution, to the Contest Committee Report.

The President ruled that the amendment, by way of a resolution, by Senator Logan was out of order because said sponsor was not a member of the Contest Committee.

The President ruled that the Resolution by Senator Logan is hereby ordered spread upon the Journal.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

SUBSTITUTE REPORT FOR THE COMMITTEE'S REPORT DISMISSING CABELL FRANCIS CONTEST.

Whereas it appears that the report submitted by the Committee after hearing the evidence in the Francis-Swope contest case does not accurately and correctly give the true and logical reasons for denying the contest of Cabell Francis, and

Whereas the evidence conclusively showed according to the Courier Journal (quote) "that some Garrard Countians who cast absentee ballots were not absent on election day" (end quote), and

Whereas Swope's attorney admitted according to the Courier Journal (quote) "the precinct workers entered the voting booth with voters in certain precincts which Francis lost heavily" (end quote), and

Whereas the evidence showed that in some precincts according to the Courier Journal (quote) "65 percent of voters were 'helped' in the voting booth, without first filing affadivits asking help as the law requires, it is not a minor technicality.—They are still illegal. And the State Senate cannot sit back and ignore illegality." (end quote), and

Whereas if the Senators fail to throw out the election entirely according to the Courier Journal (quote) "they will have a hard time explaining why the law doesn't mean what it says" (end quote), and

Whereas the decision was absolutely contrary to the evidence according to the Courier Journal, and

Whereas the reasons given by the committee for its failure to grant the relief sought by the constestant are not accurately stated,

Be it resolved therefore that the report should read as follows:

The Committee upon examining the evidence and hearing arguments of counsel for both contestant and contestee in the Francis-Swope contest case decided that the law governing absentee voters and the secrecy of the ballot must be ignored and disregarded in this case for more important and pertinent reasons, to-wit:

The Combs Administration in 1960 failed to give its undivided support to the Democrat ticket, and

Again in 1961 it ignored the Democrat candidates throughout the state except those legislative candidates favored by the administration, and

In the instance at hand the Administration capitulated and surrendered to the Republican minority in the Legislature because of its threat to oppose administration bills, and furthermore

For the very definite and distinct reason that the Administration's candidate for United States Senator is in real danger in the November election and since the Administration is not in too good favor and standing with the Democrat Party in Kentucky it seeks by this expedient move to entice and induce Republicans to vote for its candidate for Senator in November.

And for the reasons given the committee recommends that the contest petition of Francis be dismissed and that the incumbent Senator, John W. Swope, retain his seat in the Senate.

Senator Duffy and Senator Garnett requested a roll call on Senator Duffy's Report of the Contest Committee.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware. Nays 0.

Introduction of Bills and Resolutions

SB 148, by Senator Martin: AN ACT relating to constables' fees.

SB 149, by Senator Mann: AN ACT relating to fishing.

SB 150, by Senator Mann: AN ACT relating to operator's license.

SB 151, by Senator Mann: AN ACT relating to licensing of motor vehicles and operators.

SB 152, by Senator Palmer: AN ACT relating to the Egg Marketing Law.

SB 153, by Senators Ware, Kidwell, McCann, Raney, Fugua, Palmer, Buckman, Cobb, Kelly, Kinkead, Hickerson and Garrett: AN ACT relating to the executive branch of state government.

SB 154, by Senator Duffy: AN ACT relating to motor vehicle inspection.

SB 155, by Senator Buckman: AN ACT relating to retirement systems for public employees.

SB 156, by Senators Blue, Palmer, Turner, Nichols, Cobb, Buckman and Conley: AN ACT relating to secondary and rural roads and bridges.

SR 24, by Senator Johnson: A RESOLUTION requesting and petitioning the Federal Communications Commission to refuse to adopt a proposed rule that would amend Sec. 3.87 of the Rules of the

Commission; such proposed amendment denying to any of the daytime radio stations the right to commence operations earlier than legal sunrise.

SR 25, by Senator White: A RESOLUTION providing a pension system for substitute rural mail carriers who have thirty or more years of service.

The President vacated the chair, and President Pro Tem, Senator Kidwell, presided.

Senator Johnson moved the adoption of **SR 24.** Agreed.

SR 24, A RESOLUTION requesting and petitioning the Federal Communications Commission to refuse to adopt a proposed rule that would amend Section 3.87 of the Rules of the Commission; such proposed amendment denying to any of the daytime radio stations the right to commence operations earlier than legal sunrise.

WHEREAS, the Commonwealth of Kentucky has numerous daytime radio stations operating in the rural areas of the Commonwealth; and

WHEREAS, these stations perform a vital function to these rural areas by informing their listeners of the weather conditions, markets, and school operations; and

WHEREAS, the larger radio stations of the Commonwealth cannot perform these functions due to the lack of information; and

WHEREAS, the early morning listeners have grown accustomed to relying on these daytime stations for this vital information; and

WHEREAS, the operation of these small daytime stations has proven satisfactory in the past and has caused very little if any, interference;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Federal Communications Commission be requested and petitioned to refuse the adoption of the proposed amendment to Rule 3.87, of the Commission Rules, which amendment would deny to all the daytime radio stations the right to commence operations earlier than legal sunrise.

Section 2. That this resolution be read in the United States House of Representatives.

Section 3. That a certified copy of this resolution be mailed by the Clerk of the Senate to Mr. Newton N. Minow, Chairman of the Federal Communications Commission, Post Office Department Building, Twelfth and Pennsylvania Avenue, N.W., Washington, D. C.

Section 4. That a copy of this resolution be mailed to Kentucky Senators John Sherman Cooper and Thruston B. Morton with the direction that they be responsible for the performance of Section 2 of this resolution.

Senator White moved the adoption of **SR 25.** Agreed.

SR 25, A RESOLUTION endeavoring to persuade the President of the United States and the Postmaster General of the United States to provide a pension system for substitute rural mail carriers who have thirty or more years of service.

WHEREAS, Kentucky is one of the States with a large rural population, and

WHEREAS, many of its citizens have served the United States loyally by carrying the United States mails to these rural areas, and

WHEREAS, it is believed to be in the public interest of this State and the United States that such rural mail carriers be covered by a pension fund,

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Senate of the Commonwealth of Kentucky urge the President of the United States and the Postmaster General of the United States to provide a pension system for substitute rural mail carriers with thirty or more years of service.

Section 2. That copies of this resolution be forwarded by the Clerk of the Senate to The Honorable John F. Kennedy, President of the United States and to The Honorable Edward Day, Postmaster General of the United States.

Report of Committee

Committee on Education reported **SB 5** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 5, AN ACT relating to sick leave for teachers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 161.155 of the Kentucky Revised Statutes is amended to read as follows:

(1) For the purpose of this section, "teacher" shall mean any person for whom certification is required as a basis of employment in the common schools of the state. [with the exception of superintendents, supervisors and attendance officers.]

(2) Each district board of education shall allow to each teacher in its common school system not less than ten days' sick leave during each school year, without deduction of salary, provided he presents a personal affidavit or a certificate of a reputable physician stating that he was ill on the day or days absent.

(3) Any days of sick leave not taken during any school year shall accumulate and may be taken in any subsequent school year or years, except that no teacher shall be entitled to take more than twenty days of accumulated sick leave unless the district board of education, in its discretion, authorizes a greater number of days to be accumulated. Any district board of education may, in its discretion, allow teachers in its common school system sick leave in excess of the number of days prescribed in this section.

Orders of the Day

HB 72 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garnett moved the Previous Question on **HB 72.** Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Logan.

Senator Garnett moved that the vote by which **HB** 72 was passed be reconsidered and that said motion be laid on the table. Agreed.

House Message

Announcing Passage of **HB 65, HB 75, HB 91, HB 101, HB 103, HB 130, HB 131, HB 132, HB 133, HB 134, HB 135, HB 136, HB 137, HB 138, HB 141, HB 146, HB 158, HB 159.**

Motions, Petitions and Communications

Senator Ware moved that when the Senate adjourn today, it adjourn to meet again at 10:00 a.m., February 2. Agreed.

Senator Ware moved suspension of the Rules for the purpose of giving a committee report.

Report of Committee

The President announced that the Committee on Committees had appointed Senator Cobb to the following committees:

Administrative Agencies
Charitable, Penal and Reformatory Institutions
Child Welfare and Social Work
Education
Executive and Legislative Affairs
Library and Historical Records
Motor Vehicles, Commerce and Common Carriers
Municipalities
Public Health
Rural Roads and Highways

Reference of Bills

The Clerk announced that the following bills had been referred:
Ky. Statutes #2: **SB 101, SB 107, SB 112, SB 123.**
Ky. Statutes #1: **SB 102, SB 111.**
Administrative Agencies: **SB 103, SB 108, SB 120, SB 121.**
Courts and Legal Procedure: **SB 104, SB 124.**
Education: **SB 105.**
Regulation of Intoxicating Liquors: **SB 116.**
Municipalities: **SB 106, SB 115.**
Revenue and Taxation: **SB 109, SB 127.**
Public Utilities: **SB 110.**
Higher Education: **SB 113.**
Criminal Law: **SB 114, SB 125.**
Banks and Banking: **SB 117, SB 122.**
Child Welfare and Social Work: **SB 118.**
Judiciary and Judicial Council: **SB 119.**
Public Health: **SB 126.**

Senator Ware moved that the Senate adjourn until 10 a.m., Friday, February 2. Agreed.

FRIDAY, FEBRUARY 2, 1962
TWENTY-SIXTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend John C. Chenault, Pastor of the First Christian Church of Frankfort.

The roll was called. All present except Senators Brand, Conley, Derickson, Duncan and Johnson, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for February 1 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions and Communications

Senator Overbey moved that the Journal show that Senator Duffy of the Thirty-Fifth District is also a sponsor of Senate Bill 35. Agreed.

Introduction of Bills and Resolutions

SB 157, by Senator McCann: AN ACT relating to automotive safety.

SB 158, by Senators Kelly and Howard: AN ACT relating to automobile and machinery junkyards adjacent to public roads and highways.

SB 159, by Senator Kelly: AN ACT relating to Public Works.

SB 160, by Senator Kinkead: AN ACT relating to the office of Assistant Commonwealth's Attorney.

SB 161, by Senator Ware: AN ACT relating to business development corporations and declaring an emergency.

SB 162, by Senators Ware, White, Fuqua, Duffy, Garnett, Garrett, McCann, Martin, Overbey, Hehl, Nichols, McGinty, Gardner, Craft, Kidwell, Kelly, Cobb, Palmer, Kiser, Buckman, Kinkead, Logan, Raney, Mann, Edwards, Howard, Hickerson, Blue and Swope: AN ACT relating to special education of exceptional children.

SR 26, by Senator Kiser: A JOINT RESOLUTION to make payment to Mrs. Spencer Cobb for her services as State Senator.

SR 27, by Senator Logan: A RESOLUTION directing the regularly selected and acting investigating committee to investigate the charge that the office of State Senator of the Thirty-First District is vacant.

Senator Logan moved the adoption of **SR 27**.

The President ruled Senator Logan's motion to adopt **SR 27** out of order and stated the resolution would be referred to the Committee on Committees.

Report of Committees

Committee on Agriculture and State Fair reported **SB 82** without expression of opinion.

Committee on Motor Vehicles, Commerce and Common Carriers reported **SB 36** with the expression of opinion that same should pass. Said bill read at length for the first time and ordered placed in the Calendar.

SB 36, AN ACT relating to emergency vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 189.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Department" means the Department of Highways.

(2) "Highway" means any public road, street, avenue, alley or boulevard, bridge, viaduct or trestle and the approaches to them.

(3) "Motor truck" means any motor-propelled vehicle designed for carrying freight or merchandise. It shall not include self-propelled vehicles designed primarily for passenger transportation, but equipped with frames, racks or bodies having a load capacity of not exceeding one thousand pounds.

(4) "Operator" means the person in actual physical control of a vehicle.

(5) "Semitrailer" means a vehicle designed to be attached to, and having its front end supported by, a motor truck or truck tractor, intended for the carrying of freight or merchandise and having a load capacity of over one thousand pounds.

(6) "Truck tractor" means any motor-propelled vehicle designed to draw and to support the front end of a semitrailer. The semitrailer and the truck tractor shall be considered to be one unit.

(7) "Sharp curve" means a curve of not less than thirty degrees.

(8) "State Police" includes any agency for the enforcement of the highway laws established pursuant to law.

(9) "Steep grade" means a grade of exceeding seven percent.

(10) "Trailer" means any vehicle designed to be drawn by a motor truck or truck-tractor, but supported wholly upon its own

wheels, intended for the carriage of freight or merchandise, and having a load capacity of over one thousand pounds.

(11) "Unobstructed highway" means a straight, level, first-class road upon which no other vehicle is passing or attempting to pass, and upon which no other vehicle or pedestrian is approaching in the opposite direction, closer than three hundred yards.

(12) "Vehicle" includes all agencies for the transportation of persons or property over or upon the public highways of this Commonwealth and all vehicles passing over or upon said highways, excepting road rollers, road graders, farm tractors, vehicles on which power shovels are mounted, such other construction equipment customarily used only on the site of construction and which is not practical for the transportation of persons or property upon the highways, such vehicles as travel exclusively upon rails, and such vehicles as are propelled by electric power obtained from overhead wires while being operated within any municipality or where said vehicles do not travel more than five miles beyond the city limits of any municipality. "Motor vehicle" includes all vehicles as defined above which are propelled otherwise than by muscular power.

(13) "Authorized emergency vehicle" means any public vehicle at all times, or an ambulance, fire apparatus, or automobile wrecker when operated in connection with an emergency. A wrecker going to the scene of an automobile wreck or while at the scene or while returning with a wrecked automobile shall be deemed in an emergency.

(14) "Wrecker" means a motor vehicle on which a wrecking crane and other equipment suitable for motor vehicle wrecker service has been permanently mounted.

Section 2. The provisions contained in this chapter in reference to lights shall not apply to common carrier motor vehicles whose equipment is regulated by the rule of the Interstate Commerce Commission.

Section 3. Section 189.011 of the Kentucky Revised Statutes is repealed.

Committee on Motor Vehicles, Commerce and Common Carriers reported **SB 30** with the expression of opinion that same should pass, with committee amendment attached thereto.

Said amendment to **SB 30** is as follows:

Amend printed copy of Senate Bill 30, on page 1, line 4, by deleting line 4 in its entirety and substituting in lieu thereof the following words:

"seat or seats having adequate anchors or attachments secured to the floor and/or sides to the rear of the seat or seats to which seat belts may be secured."

SB 30 read at length for the first time and ordered placed in the Calendar.

SB 30, AN ACT relating to safety belts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No person shall sell any new passenger vehicle in this state nor shall any person make application for registering a new passenger vehicle in this state unless the front or forward seat or seats of the vehicle are equipped with safety belts.

Section 2. This statute shall not become effective until January 1, 1963.

Calendar

SB 5 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Report on Enrolled Bill

Committee on Enrollment reported that **HB 72** had been examined and found correctly enrolled. **HB 72** read at length, compared, and signed in open session by the President. **HB 72** ordered delivered to the House.

Reference of Bills and Resolution

The Clerk announced that the following bills and resolution had been referred:

Administrative Agencies: **HR 28.**
Courts and Legal Procedure: **HB 5, HB 76.**
Motor Vehicles, Commerce and Common Carriers: **HB 51.**
Judiciary and Judicial Council: **HB 73.**
Ky. Statutes #1: **HB 77.**
Agriculture: **HB 78, HB 79, HB 85.**
Ky. Statutes #2: **HB 81, HB 82, HB 104, HB 108, HB 124, HB 125.**

Senator Ware moved that the Senate adjourn until 8:00 p.m., Monday, February 5. Agreed.

MONDAY, FEBRUARY 5, 1962
TWENTY-EIGHTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Robert J. Laughlin, Pastor of the First Presbyterian Church of Frankfort.

The roll was called. All present except Senators Conley, Derickson and Logan, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for February 2 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions and Communications

Senator White moved that **SB 82** be recommitted to the Committee on Agriculture and State Fair. Agreed.

Senator Johnson requested the Highway Commissioner, Henry Ward, to appear on the Senate floor some time during the week of February 5. Agreed.

Senator McCann moved to withdraw **SB 7.** Unanimously agreed.

Introduction of Bills and Resolutions

SB 163, by Senator Ware: AN ACT relating to motor vehicle tractor and semi-trailer units.

SB 164, by Senator Ware: AN ACT relating to public records and public proceedings.

SB 165, by Senator Ware: AN ACT providing for protection of the public against untruthful, misleading, deceptive, or "bait" advertising through any form of advertising.

SB 166, by Senator Ware: AN ACT relating to financial statements.

SB 167, by Senator Ware: AN ACT relating to the compensation of physicians employed by county, city-county, and district health departments.

SB 168, by Senator Ware: AN ACT relating to formal training programs for certain state government personnel.

SB 169, by Senator Ware: AN ACT relating to voting machines.

SB 170, by Senator Ware: AN ACT providing for the education of children who are deaf-blind, authorizing expenditures of money and providing for the implementation of a program for such education.

SB 171, by Senator Ware: AN ACT relating to bids for materials, supplies, equipment or services.

SB 172, by Senator Ware: AN ACT relating to Registration and Purgation.

SB 173, by Senator Ware: AN ACT relating to elections.

SB 174, by Senator Nichols: AN ACT relating to newspaper publication of election ballots.

SB 175, by Senators Nichols, Martin, Craft, Raney, Ware, Blue and Howard: AN ACT relating to statutory liens.

SB 176, by Senator White: AN ACT relating to Strip Mining and Reclamation.

SB 177, by Senators Bishop and Fuqua: AN ACT relating to public assistance.

SB 178, by Senators Miller and McGinty: AN ACT relating to taxation.

SB 179, by Senators Raney and Turner: AN ACT relating to deductions from wages of employees.

SB 180, by Senators Raney and Turner: AN ACT relating to the payment of wages to employees.

SR 28, by Senator Ware: A JOINT RESOLUTION appropriating funds to the Commission on Public Education.

SR 29, by Senator Kidwell: A RESOLUTION requesting and petitioning the Secretary of the United States Department of Agriculture to use his discretionary power and reinstate the use of Memorandum of Sale and ASC recorders in the operation of the Burley tobacco production and marketing program.

Senator Kidwell moved the adoption of SR 29. Agreed.

SR 29, A RESOLUTION requesting and petitioning the Secretary of the United States Department of Agriculture to use his discretionary power and reinstate the use of Memorandum of Sale and ASC recorders in the operation of the Burley tobacco production and marketing program.

WHEREAS, the use of Memorandum of Sale and employment of ASC recorders have proven to be necessities in the successful operation of the Burley tobacco production and marketing program; and

WHEREAS, Burley tobacco growers are alarmed at the recent United States Department of Agriculture administrative decision to eliminate the use of Memorandum of Sale and employment of ASC recorders; and

WHEREAS, elimination of such a vital check and balance system could weaken and eventually destroy the confidence Burley tobacco growers now have in the present tobacco marketing program;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Secretary of the United States Department of Agriculture use his good office and discretionary authority to reinstate the use of Memorandum of Sale and the employment of ASC recorders to insure the successful operation of the Burley tobacco production and marketing program.

Section 2. The clerk of the Senate is directed to send a copy of the resolution to the Secretary of the United States Department of Agriculture.

Report of Committees

Committee on Ky. Statutes #1 reported **SB 111** with the expression of opinion that same should pass with committee amendment attached thereto.

Said amendment to **SB 111** is as follows:

Amend printed copy of Senate Bill 111 by: adding two (2) sections beginning on page 3 line 19 to read as follows:

Section 7. The Department of Economic Development is authorized to receive grants or contributions from any source including the federal government, for the purpose of promoting the arts and crafts industry.

Section 8. To provide for operating expenses of the arts and crafts program of the Division of Arts and Crafts there is appropriated to the Department of Economic Development out of the General Expenditure Fund in the State Treasury the sum of twenty thousand dollars for the balance of the 1961-62 fiscal year, the sum of fifty-eight thousand dollars for the 1962-63 fiscal year, and the sum of fifty-eight thousand dollars for the 1963-64 fiscal year, no more than eighteen thousand dollars of which may be used in any one fiscal year for maintenance and operation of the guild train.

SB 111 read at length for the first time and ordered placed in the Calendar.

SB 111, AN ACT relating to Development of the Arts and Crafts Industry.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 152 of the Kentucky Revised Statutes is created to read as follows:

Recognizing that the Kentucky arts and crafts industry employs and provides a livelihood for many persons, and further recognizing that the relatively small scale on which the typical artist or craftsman operates makes financing all but impossible to obtain from conventional lending sources, the General Assembly declares that providing financing for the Kentucky arts and crafts industry is a public purpose, and within the proper province of the Commonwealth.

Section 2. A new section of Chapter 152 of the Kentucky Revised Statutes is created to read as follows:

As used in this chapter, unless the context requires otherwise: "arts and crafts guild" means any incorporated organization, foundation, association or agency, regardless of the particular name, to whose members no profit enures by reason of their membership or activity in the organization as such and which has as its primary function the promotion, encouragement and development of the Kentucky arts and crafts industry.

Section 3. A new section of Chapter 152 of the Kentucky Revised Statutes is created to read as follows:

(1) There is established an "Arts and Craft Loan Fund Board" hereafter referred to as the "Board." It shall consist of the Commissioners of Economic Development, Banking and Finance.

(2) The "Board" may lend money for the purposes of building inventories, purchase of equipment and supplies, purchase of finished products for marketing, establishment of craft centers, establishment of warehouses, establishment of display centers, or any similar purpose that would develop.

Section 4. A new section of Chapter 152 of the Kentucky Revised Statutes is created to read as follows:

(1) Any arts and crafts guild may apply to the "Board" for a loan in behalf of itself or one or more of its members for any of the purposes set out in Section 3 of this Act.

(2) The "Board" being satisfied that the applicant arts and crafts guild or its applicant member of members is legitimate and responsive to any part of the arts and crafts industry that it may purport to represent, shall approve or disapprove the application according to regulations promulgated by the "Board."

Section 5. A new section of Chapter 152 of the Kentucky Revised Statutes is created to read as follows:

(1) The "Board" shall promulgate regulations governing loans

made under Section 4 of this Act. The regulations shall provide:

(a) the rate of interest to be charged;

(b) the amount and kind of security to be required;

(c) standards for determining the soundness and feasibility of proposed projects;

(d) the form and contents of applications for loans; and

(e) such other matters as the "Board" may determine to be necessary consistent with the provisions of this Act.

(2) Regulations governing the granting of loans shall be based on the expressed purposes of Sections 1 to 5 of this Act and shall be such as to reasonably protect the loan by the "Board."

Section 6. A revolving fund is established in the Department of Economic Development for the purposes of Sections 1 to 5 of this Act. The "Board" shall administer the fund.

Committee on Ky. Statutes #1 reported **HB 125, HB 124, HB 108, HB 104, HB 77, HB 82, HB 81,** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 125, AN ACT relating to old-age, survivors and disability insurance coverage of public employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 61.410 of the Kentucky Revised Statutes is amended to read as follows:

(1) It is hereby declared to be the policy of the General Assembly to extend the Federal Old-Age, Survivors and Disability Insurance coverage to all public employes regardless of whether such employes are occupying positions which are covered by a retirement system; provided, however, that no employe occupying a position to which KRS 161.220 to 161.710 are applicable shall be held to fall within the class of persons sought to be affected by this statement of policy except for employes of the state colleges and public junior colleges.

[(1) In order to extend to certain employes of the Commonwealth and its political subdivisions, and interstate instrumentalities, not now members of public retirement systems, and to the dependents and survivors of such employes, the basic protection accorded to others by the Old-Age and Survivors Insurance System embodied in the Social Security Act, it is hereby declared to be the policy of the General Assembly to provide such protection to such employes, and their dependents and survivors, on as broad a basis as is permitted under the Social Security Act.]

(2) It is also the policy of the General Assembly that the protection afforded public employes by membership in a retirement system or by the right to receive periodic benefits under such a retirement system will not be impaired as a result of any agreement made between the Commonwealth and the Secretary pursuant to KRS 61.410 to 61.500.

[(2) Subject to the provisions of KRS 61.430 (6) and the Federal Social Security Act, as amended, and regardless of present coverage under a public retirement system, it is declared to be the policy of the General Assembly to extend the aforesaid protection to the employes of the state colleges enumerated in KRS 164.290, and their dependents and survivors.]

(3) The General Assembly hereby ratifies the extension of Federal Old-Age, Survivors and Disability Insurance coverage to public employes in positions covered by a retirement system prior to the effective date of this Act provided that the procedures specified by Ky. Acts, 1956, Chapter 32, Section 3 (6) were substantially followed.

Section 2. Section 61.420 of the Kentucky Revised Statutes is amended to read as follows:

For the purposes of KRS 61.410 to 61.500:

(1) [The term] "Wages" means all remuneration for employment as defined herein, including the cash value of all remuneration paid in any medium other than cash, except that such term shall not include that part of such remuneration which, even if it were for "employment" within the meaning of Federal Insurance Contributions Act, would not constitute "wages" within the meaning of that Act;

(2) [The term] "Employment" means any service performed by an employe in the employ of the Commonwealth, a political subdivision, or an interstate instrumentality, for such employers, except (a) service of an emergency nature, (b) service which in the absence of an agreement entered into under KRS 61.410 to 61.500 would constitute "employment" as defined in the Social Security Act, or (c) service which under the Social Security Act may not be included in any agreement between the Commonwealth and *the Secretary* [Federal Security Administrator] entered into under KRS 61.410 to 61.500; provided, however, that service, the compensation for which is on a fee basis, may be excluded in any plan approved under KRS 61.410 to 61.500, and provided also, that service in any class or classes of positions, the exclusion of which is permitted under the Social Security Act, may be excluded in any plan approved under KRS 61.460;

(3) [The term] "Employe" *means any person in the service of the Commonwealth, a political subdivision or an interstate instrumentality of which the Commonwealth is a principal and shall include all persons designated officers including those which are elected and those which are appointed;* [in addition to its usual meaning, includes both elective and appointive officers of the Commonwealth, political subdivisions, or interstate instrumentalities.]

(4) [The term] "State agency" means the Division of Personnel Security in the Department of Economic Security;

[(5) The term "Federal Security Administrator" includes any individual to whom the Federal Security Administrator has delegated any of his functions under the Social Security Act with respect to coverage under such act of employes of states and their political subdivisions.]

(5) [(6) The term] "Political subdivision", in addition to counties, municipal corporations and school districts, includes instrumentalities of the Commonwealth, of one or more of its political subdivisions or of the Commonwealth and one or more of its political subdivisions, and any other governmental unit thereof;

(6) [(7) The term] "Social Security Act" means the Act of Congress approved August 14, 1935, Chapter 531, 49 Stat. 620, officially cited as the "Social Security Act", including regulations and requirements issued pursuant thereto, as such act has been and may from time to time be amended;

(7) [(8) The term] "Federal Insurance Contributions Act" means subchapter A of Chapter 9 of the Federal Internal Revenue Code *and all amendments thereto;* [prior to enactment of the Federal Internal Revenue Code of 1954 and sub-chapter C of Chapter 21 of the Federal Internal Revenue Code of 1954 after enactment of same, as such act has been and may from time to time be amended.]

(8) [(9)] *"Secretary"* [of Health, Education and Welfare] *means the Secretary of Health, Education and Welfare and* includes any individual to whom the Secretary [of Health, Education and Welfare] *may delegate* [has delegated] any of his functions under the Social Security Act; [with respect to coverage under this Act,] and, with respect to any *transactions* [action taken] *regarding insurance coverage occurring* prior to April 11, 1953, includes the Federal Security Administrator and any individual to whom *he may have* [such Administrator has] delegated *any* [such] *of his* functions *under the Social Security Act;*

(9) "Insurance coverage" means coverage by the Old-Age, Survivors and Disability Insurance provisions of the Social Security Act.

Section 3. Section 61.430 of the Kentucky Revised Statutes is amended to read as follows:

Consistent with the terms and conditions of KRS 61.410 to 61.490, the state agency, with the approval of the Governor, is hereby authorized to enter [on behalf of the Commonwealth] into an agreement with the Secretary [of Health, Education and Welfare] for the purpose of extending *insurance coverage* [the benefits of the Federal Old-Age and Survivors Insurance System] to employes [of the Commonwealth or any political subdivision thereof] with respect to services specified in such agreement which constitute employment as defined in KRS 61.420. *An* [such] agreement *entered into under this section* may contain [such] provisions relating to coverage, benefits, contributions, effective date, modification and termination of the agreement, administration and other appropriate provisions as the state agency and Secretary [of Health, Education and Welfare] shall agree upon. [, but except as may be otherwise required by or under the Social Security Act as to the services to be covered] *Any* [such] *agreement,* [agreements] *subject to the provisions of the Social Security Act,* shall provide in effect that:

(1) [Benefits will] *Insurance coverage shall* be provided for employes whose services are *described in* [covered by] the agreement, and their dependents and survivors on the same basis as though such services constituted employment within the meaning of Title II of the Social Security Act;

(2) The state *shall* [will] pay to the Secretary of the Treasury, at such times [time or] as may be prescribed under the Social Security Act, contributions with respect to wages equal to the sum of *the* taxes [which would be] imposed by Sections 1400 and 1410 of the Federal Insurance Contributions Act [prior to enactment of the Federal Internal Revenue Code of 1954, and Sections 3101 and 3111 of the Federal Internal Revenue Code of 1954, and Sections 3101 and 3111 of the Federal Internal Revenue Code of 1954 after the enactment of this Code,] if the services covered by the agreement *constitute* [constituted] employment within the meaning of that Act;

(3) *Insurance coverage will be afforded* [Such agreement or modification of such agreement shall be effective] with respect to services performed after an effective date specified in the agreement or modification thereof; *provided, however, that such date shall not be earlier than January 1, 1955, in the case of an agreement or modification made between January 1, 1955, and January 1, 1958;* [but in no case prior to January 1, 1955, for cases where such agreement or modification is agreed to prior to January 1, 1958;] *or, earlier than January 1, 1956, in the case of an agreement or modification made at any time in the years 1958 or 1959;* [for cases where such agreement or modification is agreed to during the years of 1958 and 1959, the effective date specified in such agreement or modification shall not be earlier than January 1, 1956,] *or, earlier than the first day of the year*

in which the agreement or modification was made in the case of an agreement or modification made at any time between January 1, 1960, and July 1, 1962, [and in no case prior to the first day of the calendar year in which such agreement or modification, as the case may be, is agreed to by the Secretary of Health, Education and Welfare and the Commonwealth, after December 31, 1959;] *or, earlier than the first day of the fifth year preceding the year in which the agreement or modification is made, in the case of an agreement or modification made at any time after July 1, 1962;* [provided, however, that in case of any agreement covering any state college made pursuant to subsection (6) of this section, the effective date may be made retroactive to January 1, 1955, in the discretion of the agency concerned, and within the limits prescribed by the Federal Social Security Act, as amended;]

(4) *Insurance coverage shall be afforded with respect to all services constituting employment; provided, however, in order for insurance coverage to be afforded with respect to services performed in the employ of a political subdivision of the state there must be in existence in regard to those services a plan which meets the requirements of KRS 61.460;* [All services which constitute employment and are performed in the employ of the Commonwealth by employes of the Commonwealth shall be covered by the agreement;]

(5) *Subject to the provisions of Section 4 of this Act, insurance coverage shall be afforded with respect to all services in positions covered by a retirement system; provided, however, that no agreement will be effective to afford insurance coverage to any services performed in positions to which KRS 161.220 to 161.710 are applicable except for services performed in positions in a state college or public junior college;* [All services which (a) constitute employment, (b) are performed in the employ of a political subdivision of the state, and (c) are covered by a plan which is in conformity with the terms of the agreement and has been approved by the state agency under KRS 61.460, shall be covered by the agreement;]

[(6) (a) Such agreement or modification of such agreement, as permitted under the Social Security Act, shall include all services described in subsection (4) and performed by employes in positions covered by a retirement system at the various state colleges enumerated in KRS 164.290, with respect to which the Governor has issued a certificate to the Secretary of Health, Education and Welfare pursuant to this subsection;]

[(b) At the earliest practicable date after the effective date of this section, the Governor shall authorize referendum and designate agencies or individuals to respectively supervise their conduct in each state college in accordance with the requirements of Section 218 (d) (3) of the Social Security Act, and this subsection, on the question of whether or not the service in the positions, now covered by a public retirement system established by law, in the respective state colleges should be included under such agreement;]

[(c) The Governor, before authorizing a referendum, shall require that the state college in which it is to be conducted shall meet the following conditions;]

[Each referendum shall be by secret, written ballot on the question of whether or not service in positions now covered by a public retirement system in the state college shall be included under the agreement between the Governor and the Secretary of Health, Education and Welfare;]

[An opportunity to vote in such referendum shall be given and shall be limited to all eligible employes of the state colleges;]

[Not less than ninety days notice of such referendum shall be given to all such employes of the state college;]

[Such referendum shall be conducted under the supervision of an agency or individual designated by the Governor;]

[The proposal for coverage shall be approved only if a majority of the eligible employes of the state college vote in favor of including services in such positions under the agreement;]

[(d) Upon receiving satisfactory evidence that, with respect to any such referendum, the conditions specified in this subsection and Section 218 (d) (3) of the Social Security Act have been met, the Governor shall so certify to the Secretary of Health, Education and Welfare;]

[(7) For the purposes of this section, employes of each of the colleges enumerated in KRS 164.290 shall be considered a separate coverage group.]

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) In order for any service performed by an employe in a position covered by a retirement system to be included in an agreement as permitted by KRS 61.430, a majority of the members of such retirement system must vote in the affirmative on the question of whether the service covered by the retirement system should be included in the agreement. The procedure for obtaining the vote of the members of the retirement systems shall be as follows:

(a) Upon request of the political subdivision concerned, the Governor shall authorize a referendum within the retirement system concerned and designate an agency or individual to supervise the manner of conducting it;

(b) Any such referendum shall be conducted in accordance with the requirements of Section 218 (d) (3) of the Social Security Act;

(c) The votes shall be cast in secret on written ballots;

(d) An opportunity to vote shall be given only to those employes who occupied positions covered by such retirement system, and were members of such system, on the date upon which the notice of referendum was given and on the date upon which the referendum was held; and

(e) Notice that the referendum is to be conducted shall be given to every member of the retirement system at least ninety days before the date the referendum is held.

(2) Upon receiving satisfactory evidence that the conditions specified in this section and Section 218 (d) (3) of the Social Security Act have been fulfilled, the Governor or any agency or individual designated by him shall so certify to the Secretary.

(3) For purposes of this section, in any case where a retirement system covers the employes of two or more political subdivisions, or of the Commonwealth and one or more political subdivisions, there are deemed to exist separate retirement systems with respect to the Commonwealth or each political subdivision. Also for purposes of this section, where a retirement system covers the employes of one or more of the state colleges or of one or more of the public junior colleges or of any combination of such state colleges there shall be deemed to exist separate retirement systems with respect to each state college and each public junior college.

Section 5. Section 61.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) [(a)] Every employe of the state whose services are covered by an agreement entered into under KRS 61.430 shall be required to pay for the period of [such] coverage, into the contribution fund established by KRS 61.470, contributions, with respect to wages received *for each calendar year at the rate established by the Federal Insurance Contributions Act, as amended, and the Social Security Act, as amended.* [during the calendar years 1951 to 1953, both inclusive, equal to one and one-half percent of such wages; with respect to wages received during the calendar years of 1954 to 1958, both inclusive, not to exceed two percent of such wages; with respect to wages received during the calendar years 1957 to 1958, both inclusive, not to exceed two and one-fourth percent of such wages; with respect to wages received during the calendar year 1959, not to exceed two and one-half percent of such wages; with respect to wages received during the calendar years 1960 to 1962, both inclusive, not to exceed

three percent of such wages; with respect to wages received during the calendar years 1963 to 1965, both inclusive, not to exceed three and one-half percent of such wages; with respect to wages received during the calendar years 1965 to 1968, both inclusive, not to exceed four percent of such wages; and with respect to wages received after December 31, 1968, not to exceed four and one-half percent of such wages.] Such liability shall arise in consideration of the employe's retention in the service of the state, or his entry upon such service after March 14, 1951.

[(b) Notwithstanding the wording of the preceding paragraph, the rate of contributions shall, in all cases, be identical with the rate of contributions, or taxes, imposed by the Federal Insurance Contributions Act, as amended, and the Social Security Act, as amended.]

(2) The contribution imposed by this section shall be collected by deducting the amount of the contribution from wages as and when paid, but failure to make such deduction shall not relieve the employe from liability for such contribution.

(3) If more or less than the correct amount of the contribution imposed by this section is paid or deducted with respect to any *wages,* [remuneration] proper adjustment, or refund if adjustment is impracticable, shall be made, without interest, in such manner and at such times as the state agency shall prescribe.

Section 6. Section 61.460 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each political subdivision of the state is hereby authorized to submit for approval by the state agency a plan for extending *insurance coverage* [the benefits of Title II of the Social Security Act, in conformity with applicable provisions of such Act,] to employes of such political subdivision; *provided, however, that no such plan shall provide insurance coverage to an employe occupying a position to which KRS 161.220 to 161.710 are applicable except for employes of the state colleges and public junior colleges.* Each such plan and any amendments thereof shall be approved by the state agency if it finds that such plan, or such plan as amended, is in conformity with such requirements as are provided in regulations of the state agency, except that no such plan shall be approved unless:

(a) It is in conformity with the requirements of the Social Security Act and with the agreement entered into under KRS 61.430;

(b) It provides that all services which constitute employment and are performed in the employ of the political subdivision by employes thereof, shall be covered by the plan;

(c) It specifies the source or sources from which the funds necessary to make the payments required by paragraph (a) of subsection (3) and by subsection (4) are expected to be derived and contains reasonable assurance that such sources will be adequate for such purpose;

(d) It provides for such methods of administration of the plan by the political subdivision as are found by the state agency to be necessary for the proper and efficient administration thereof;

(e) It provides that the political subdivision will make such reports, in such form and containing such information, as the state agency may from time to time require, and will comply with such provisions as the state agency or the *Secretary* [Federal Security Administrator] may from time to time find necessary to assure the correctness and verification of such reports; and

(f) It authorizes the state agency to terminate the plan in its entirety, in the discretion of the state agency, if it finds that there has been failure to comply substantially with any provision contained in such plan, such termination to take effect at the expiration of such notice and on such conditions as may be provided by regulations of the state agency and as may be consistent with the provisions of the Social Security Act.

(2) The state agency shall not finally refuse to approve a plan submitted by a political subdivision under subsection (1), and shall not terminate an approved plan, without reasonable notice and opportunity for hearing to the political subdivision affected thereby.

(3) (a) Each political subdivision for which a plan has been approved under this section is authorized to, and shall, pay into the Contribution Fund, with respect to wages, at such time or times as the state agency may by regulation prescribe, contributions in the amounts and at the rates specified in the applicable agreement entered into by the state agency under KRS 61.430, and, furthermore, in anticipation of the due date of any payments of contributions required herein, is authorized to, and shall, make such advancements as the state agency, by regulation or contract, may require.

(b) Each political subdivision is authorized to, and shall, make such payments as are determined by the state agency to be necessary for the purpose of defraying the expenses incurred by the state agency in administering KRS 61.410 to 61.500 for the benefit of those employes covered under any plan approved under subsection (1) of this section, but in no event shall such amount be greater than five percent of the contributions required under paragraph (a) of this subsection. Such payments shall be made into the State Treasury and shall be credited to a separate trust and agency fund to be used by the state agency solely for the purpose stated herein.

(c) Each political subdivision required to make payments under paragraph (a) of this subsection is authorized, in consideration of the employe's retention in, or entry upon, employment after the effective date of KRS 61.410 to 61.500, to impose upon each of its employes, as to services which are covered by an approved plan, a contribution with respect to wages received *for each calendar year, at the rate established by the Federal Insurance Contributions Act, as amended, and the Social Security Act, as amended.* [during the calendar years 1951 to 1953, both inclusive, equal to one and one-half percent of such wages; with respect to wages received during the calendar years 1954 to 1956, both inclusive, not to exceed two percent of such wages; with respect to wages received during the calendar years 1957 to 1958, both inclusive, not to exceed two and one-fourth percent of such wages; with respect to wages received during the calendar year 1959, not to exceed two and one-half percent of such wages; with respect to wages received during the calendar years 1960 to 1962, both inclusive, not to exceed three percent of such wages; with respect to wages received during the calendar years 1963 to 1965, both inclusive, not to exceed three and one-half percent of such wages; with respect to wages received during the calendar years 1966 to 1968, both inclusive, not to exceed four percent of such wages; and with respect to wages received after December 31, 1968, not to exceed four and one-half percent of such wages] Contributions so collected shall be paid into the Contribution Fund in partial discharge of the liability of such political subdivision under paragraph (a) of this subsection. Failure to deduct such contribution shall not relieve the employer of liability therefor.

[(d) Notwithstanding the wording of the preceding paragraph, the rate of contributions shall, in all cases, be identical with the rate of contributions, or taxes, imposed by the Federal Insurance Contributions Act, as amended, and the Social Security Act, as amended.]

(4) Delinquent payments due under paragraph (a) of subsection (3), with interest at the rate of six *percent* [percentum] per *year,* [annum] may be recovered by action in the Franklin Circuit Court against the political subdivision liable therefor, or may, at the request of the state agency, be deducted from any other moneys payable to such subdivision by any department or agency of the state.

HB 124, AN ACT relating to the amount of public assistance, proration in case of deficiency and the consideration of resources.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 205.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) The amount of public assistance to be granted shall be determined with due regard to the needs and resources of the individual and family as prescribed by regulation, provided, that if available

funds during a budgetary period are insufficient to meet the full needs of the recipients in all or any of the categories of public assistance, the funds available shall be reasonably prorated to recipients in such categories according to pending and anticipated applications during such budgetary period.

(2) Notwithstanding any other provisions of law to the contrary, resources in any given case shall be deemed to include among other things:

(a) The income and any property belonging to any applicant or recipient; except *the exemptions of the kind and amount of income prescribed by regulations within the scope of the Social Security Act, its amendments and federal regulations* [that the first fifty dollars of earned income per month of an applicant or recipient of assistance to needy blind shall be disregarded in determining the needs and resources of such applicant or recipient];

(b) The income and any property of the spouse living with any needy aged, [or] needy blind, *or needy permanently and totally disabled person* [applicant];

(c) Such income and resources as may be available to applicants or recipients from persons legally liable for their support.

(3) The value of any property voluntarily transferred by any applicant or recipient or the spouse living with any applicant or recipient for the purpose of establishing eligibility for public assistance shall be deemed a resource of such applicant or recipient under this section.

HB 108, AN ACT relating to county law libraries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 172.200 of the Kentucky Revised Statutes is amended to read as follows:

(*1*) Upon the adoption of this optional plan, the circuit judge shall appoint one member of the county's bar, and the members of the county's bar shall, by majority vote, elect another of their number, which two attorneys shall, with the county attorney of the county, constitute and be designated as "Trustees, ... County Law Library."

(*2*) The trustees shall serve for a term of two years or until their successors are elected or qualified.

(*3*) The trustees shall be in charge of the county law library, and they shall make purchases of the various state and federal case reports, textbooks, legal encyclopedia, and all other books usually incident to or customarily found in law libraries, or necessary to the protection of the rights of litigants, and they shall cause same to be properly arranged in the county law library, directing the ex officio librarian in the exercise of his duties.

(4) The trustees shall exercise their absolute discretion in the purchase of books, pamphlets, periodicals, and other materials, *and in the appointment and compensation of personnel to assist the ex officio librarian in the handling of materials and in the maintenance of the library, but the trustees* [they] shall not contract for any such purchases *and appointments* so as to create an indebtedness greater than the anticipated revenues for the following eighteen months, the anticipated revenue being based upon the preceding eighteen months' revenue, and any indebtedness of the county law library fund shall not be considered in any way an indebtedness of the county, but shall be an indebtedness of the county law library fund only, and all creditors must look only to the county law library fund for satisfaction of their indebtedness.

(5) The trustees shall designate one of their number as treasurer and he shall be accountable for the receipt, deposit, and disbursement of all sums received for the operation of the county law library. He shall be bonded by a corporate bond, the cost of which shall be paid out of the receipts of the library fund. He shall deposit all sums received by him as treasurer in a regular banking depository, and he shall pay for all purchases made by the trustees by check or draft, keeping a true and accurate account of all sums received and expended by him. He shall annually file a written report with the circuit judge of the county showing all sums received by him, together with the court from which they were received, and an itemized statement of all expenditures made by him. The treasurer shall turn all funds over to his successor, together with a full inventory of the county law library, and together with a full and complete itemized statement of all outstanding accounts.

HB 104, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 118.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) The printing and delivery of ballots and cards of instruction to voters shall, in city elections, be paid for by the city. In all other elections, the printing of the ballots and cards of instruction for the voters in each county, and the delivery of them to the several voting precincts, shall be paid for by the county.

(2) The cost of all elections held in any county shall be allowed

by the fiscal court and paid by the county treasurer except as otherwise provided by law.

(3) When the cost of any election has been allowed by the fiscal court and paid by the county treasurer, as provided in this section or in any other section requiring the county to pay the cost of an election, the county treasurer shall certify the amount of such expenses, indicating each item of expense separately, together with a statement of the number of precincts in the county, the date and kind of election to the Department of Finance. Upon receipt of such certification and upon being satisfied as to the correctness thereof, the Department of Finance shall issue its warrant upon the state treasurer in favor of the county treasurer for one half of the amount of such expenses but not exceeding in any event an amount equal to twenty dollars for each precinct in the county. All sums paid under this section shall be in addition to any sum paid by the state for ballot paper in elections.

(4) Each county shall acquire voting machines meeting the specifications of KRS 125.040 for each precinct in which such machines are not already in use, no later than the primary election in 1963; provided, however, that (a) counties containing a population of 21,000 or more shall acquire voting machines for each precinct therein prior to the primary election in 1961; (b) counties containing a population of over 13,000 and less than 21,000 shall acquire voting machines for each precinct therein prior to the primary election in 1962; and (c) counties containing a population of 13,000 or less shall acquire voting machines for each precinct therein prior to the primary election in 1963; provided, however, that nothing contained herein shall be construed to prevent a county from acquiring voting machines prior to the general election in November, 1960.

(5) In all counties where voting machines are used, the cost of elections shall be certified by the county treasurer to the Department of Finance in the same manner as set out in subsection (3) of this section, except that for each precinct where voting machines are used and so certified, the sum of fifty dollars shall be allowed to the county.

(6) Any county [which fails] *failing* to acquire voting machines in some manner prior to the time herein required shall [no longer be entitled to receive] *thereafter be prohibited from receiving* any of the payments provided for in subsections (3) and (5) of this section *until such machines have been acquired.*

(7) [The proposed budget of any county shall be disapproved by the State Local Finance Officer if such budget fails to provide for the payment of rentals in connection with any outstanding voting machine revenue bonds issued for the benefit of the county by the

State Property and Buildings Commission as authorized by statute;] Payments to any county under the provisions of *subsections (3) and (5)* [subsection (6)] of this section shall be terminated if and whenever it shall fail to renew a lease (contract, lease and option) with the State Property and Buildings Commission executed in connection with the acquisition of voting machines by such commission for the use of such county; and such payments to any county shall be terminated whenever such county shall fail to pay any part of the rentals required for any effective period of such lease.

HB 77, AN ACT relating to county finances.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 66.210 of the Kentucky Revised Statutes is amended to read as follows:

No county, city or taxing district shall issue and offer to sell any of its bonds or obligations until the issuance thereof has been approved as provided in KRS 66.310, *where applicable to a county,* or by a court of competent jurisdiction, declaring the bonds or obligations are based upon and cover a valid indebtedness of the county, city or taxing district within the constitutional limitation governing the creation of the indebtedness. Any bond sold, assigned or transferred without being so approved in advance of its issuance is void, and shall not thereafter, directly or indirectly, be assumed or paid by the county, city or taxing district.

Section 2. Section 66.290 of the Kentucky Revised Statutes is amended to read as follows:

The Commissioner of *Finance* [Revenue], with the advice of the State Local Finance Officer if one is appointed, may, within the limits prescribed by KRS Chapter 18, employ, discharge, fix the compensation of and authorize the payment of all necessary expenses of such office and field staff as he deems necessary to administer the provisions of KRS 66.280 to 66.390. The State Local Finance Officer may delegate the duties and powers imposed on him by KRS 66.280 to 66.390.

Section 3. Section 66.310 of the Kentucky Revised Statutes is amended to read as follows:

(1) No county may contract an indebtedness which, together with all other indebtedness of the county, is in excess of one-half of one percent of the value of the taxable property therein, as determined by the next preceding complete assessment, and issue valid bonds therefor, without having first secured the written approval of the State Local Finance Officer. Any other bonds to be issued or reissued by any county may be submitted for approval as hereinafter

provided. When the fiscal court of any county has petitioned the State Local Finance Officer under KRS 66.320 for assistance in formulating a plan for reorganizing its debt structure, or has received the approval of any issue or reissue of county bonds voluntarily as provided in this section, all bonds thereafter issued or reissued by the county must be approved as provided in this section.

(2) The State Local Finance Officer shall hold a hearing for the purpose of determining whether any issue or reissue of bonds submitted to him for approval should be approved or disapproved. The State Local Finance Officer shall withhold his approval if he believes the financial condition and prospects of the county do not warrant a reasonable expectation that interest and principal maturities can be met when due without seriously restricting other expenditures of the county; if, in his discretion, the issue or reissue of bonds will not serve the best interests of both the county issuing same and a majority of its creditors; or if it appears that the bonds or the issuance thereof will be invalid. If the State Local Finance Officer is petitioned by any county to approve the issuance of bonds to refund outstanding county bonds, and if the State Local Finance Officer is unable to find that the bonds sought to be refunded were in their entirety validly issued, he shall nevertheless find that bonds may be issued validly for the purpose of refunding said bonds, in equivalent or lesser par principal amount, provided that the interest rate to be borne by said refunding bonds shall be such as to make possible their liquidation within their life at no greater average annual cost to the county than would be required to liquidate, within the same number of years, the portion of the outstanding indebtedness found to be valid at the interest rate borne by it before refunding.

(3) The State Local Finance Officer shall give at least two weeks' notice of the hearing hereinabove required to the county judge of the county proposing to issue such bonds, and the county judge shall cause a copy of said notice to be posted at a conspicuous place near the front door of the courthouse at least ten days, exclusive of Sundays and holidays, prior to the date set for the hearing. In the case of bonds proposed to be issued for the purpose of refunding currently outstanding bonds, the State Local Finance Officer shall in addition cause a notice of said hearing to be published at least ten days, exclusive of Sundays and holidays, prior to the date set for the hearing in a financial newspaper or periodical having general circulation among bondholders and bond dealers and said notice shall be paid for by the Department of *Finance* [Revenue] out of its appropriation. Any party having a material interest shall have an opportunity to be heard and to present evidence. The State Local Finance Officer shall make a record of the proceedings of such hearing and shall prepare a written decision approving or disapproving the issuance of the proposed bonds. Any interested party or taxpayer may within fifteen

days, exclusive of Sundays and holidays, appeal to the commission from the decision of the State Local Finance Officer. The commission, upon the basis of the record prepared by the State Local Finance Officer, and of any additional evidence which may be introduced, shall pass upon the decision of the State Local Finance Officer.

(4) Within thirty days, exclusive of Sundays and holidays, after a decision by the commission any interested party or taxpayer of the county, upon filing bond for costs, may appeal to the Franklin Circuit Court or, in the case only of bonds proposed to be issued for the purpose of funding floating indebtedness, to either the Franklin Circuit Court or to the circuit court of the county proposing to issue said bonds. Appeal shall be taken by filing with the clerk of the court a copy of the record of the proceedings and decision of the State Local Finance Officer and the decision of the commission. The commission, the fiscal court, the taxpayers of the county, and, in the case of funding or refunding bonds, the creditors whose claims or bonds are proposed to be funded or refunded, shall be made parties to the appeal. Summons shall be served and class representatives designated as provided in the Civil Code of Practice. To facilitate adjudication the State Local Finance Officer is hereby required, on payment of a reasonable fee therefor to be fixed by the State Local Finance Officer, to supply a certified copy of such records to any party. The case shall be advanced on the docket of the circuit court and shall be heard and decided as in the case of a declaratory judgment, except that all findings of fact of the State Local Finance Officer and of the commission shall be final if supported by any substantial evidence, provided, however, that in the case only where the question of the validity of the indebtedness proposed to be funded or refunded is in issue, additional evidence relating to the validity of such indebtedness may be presented.

(5) An appeal may be taken from the circuit court to the Court of Appeals in the manner provided in the Rules of Civil Procedure. The appeal may be advanced for immediate hearing and submission.

(6) In case no appeal is taken from the approval of a bond issue by the State Local Finance Officer or the commission as provided in this section, said decision as to the legality of such bonds shall be res adjudicata in any subsequent case or cases raising such question of legality. When bonds are approved as provided in this section, they shall not be required to be approved as provided in KRS 66.210 and 66.220.

(7) Record of the approval of bonds as provided in this section shall be made in the minutes of the next meeting of the fiscal court of the county issuing the bonds so approved, and copies of all de-

cisions of the State Local Finance Officer and of the commission shall be filed with the Secretary of State.

Section 4. Section 66.370 of the Kentucky Revised Statutes is amended to read as follows:

(1) On or before the fifteenth day of July of each year, the county judge of each county in this Commonwealth shall, for the fiscal year immediately preceding, deliver to the State Local Finance Officer a report showing for the county the total amounts of each and every issue of outstanding bonds and the amount of unfunded debt, if any, together with the interest rate or rates of all indebtedness, sinking fund balances, sinking fund investments or deposits and earnings, payments of debt principal and interest, and such other information respecting indebtedness, whether or not herein enumerated, as the commission may by regulation require.

(2) A county may, by order of its fiscal court, surrender to the State Local Finance Officer all money in hand, notes, bonds, accounts or other credits representing assets available, and such other sums which may hereafter become available from any and all sources, for paying the principal and interest of any bonded debt of the county; provided, however, that if a county surrenders the sinking fund for any bond issue payable either from the tax levy authorized by Section 157 or by Section 157a of the Constitution of Kentucky or from any special tax levy authorized by law, it must surrender also the sinking funds for all other bonds payable from the same tax levy as herein defined. Such surrender shall be irrevocable on the part of the county. Provided, further, that any county which has a bond issue approved under the provisions of KRS 66.310 is required to comply with the provisions of this subsection with respect to the sinking funds for the bonds thus approved and for any other bonds payable from the same tax levy as herein defined. The county judge of any county complying with the provisions of this subsection is hereby relieved of the requirement to submit the annual reports hereinabove specified in this section insofar as these apply to bonded debts, the sinking funds for which have been surrendered to the State Local Finance Officer.

(3) All cash so received by the State Local Finance Officer shall be deposited with the State Treasurer to the credit of a fund designated the "County Sinking Fund." All assets other than cash shall be deposited with the State Treasurer and shall be liquidated, upon authorization of the commission, within a reasonable time.

(4) The county treasurer of any county complying with the provisions of this section shall remit monthly to the State Local Finance Officer all monies received from any tax levy made for the exclusive purpose of paying principal and interest on any bonds. Any monies appropriated in the county budget from any other source or any monies

required by law to be used for the same purpose shall be remitted as required for paying any principal and/or interest maturities or meeting sinking fund requirements. The State Local Finance Officer is authorized to institute actions in the Franklin circuit court to enforce the provisions of this subsection or to recover any such funds as may have been misapplied.

(5) Accounts showing the County Sinking Fund receipts and disbursements shall be kept by the State Local Finance Officer for each bond issue of each county for which deposits are made in said fund. As of the close of the county fiscal year the State Local Finance Officer shall, within thirty days thereafter, render to the judge of each county having deposits in said fund a statement thereof for each bond issue of that county. On or about the first day of May of each year, the State Local Finance Officer shall deliver to the county judge, as chairman of the county budget commission, an estimate of the principal and interest requirements of outstanding bonds issued by said county or of the proportionate annual amount which should be deposited in a sinking fund.

(6) Disbursements from the County Sinking Fund shall, when authorized by the State Local Finance Officer, be made in the same manner as other claims on the Commonwealth are paid. Disbursements may be made only for (a) the payment of principal or interest, or both, of the bonds for which the deposit was made, and (b) the investment of such funds as is hereinafter authorized.

(7) All coupons and bonds for the payment of which deposits are made in the County Sinking Fund shall be paid either directly by the State Local Finance Officer or by the bank designated as paying agent. Such bank may be paid a reasonable fee for such services by the Department of *Finance* [Revenue] out of its appropriation. All paid bonds and coupons shall be surrendered to the State Local Finance Officer and canceled, and shall be delivered to the judge of each county along with the annual statement provided for in this section.

Section 5. Section 66.390 of the Kentucky Revised Statutes is amended to read as follows:

Ownership of obligations of Kentucky counties shall disqualify the Commissioner of *Finance* [Revenue] or any of his appointees from serving in any capacity incident to the administration of KRS 66.280 to 66.380, or KRS 68.220, 68.250, 68.270, 68.280, 68.310, 68.320 or 68.370.

Section 6. Section 66.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any officer who willfully fails to perform his duty under

KRS 66.010 to 66.040 shall be deemed guilty of misfeasance in office, and shall be fined not more than one hundred dollars.

(2) The Commissioner of *Finance* [Revenue] or any of his appointees who performs any act in violation of the provisions of KRS 66.390 shall be removed from office or employment and made ineligible for reappointment in the same or any similar capacity, and upon conviction shall be fined not more than five hundred dollars and imprisoned for not more than ninety days, or both so fined and imprisoned.

(3) Any county or state officer who knowingly violates any of the provisions of KRS 66.280 to 66.390 shall, in addition to the specific liabilities imposed for violating any of the provisions of those sections, be guilty of a misdemeanor and, upon conviction thereof, shall have his office declared vacant, and may also be fined not more than five hundred dollars or imprisoned for not more than ninety days, or both so fined and imprisoned.

Section 7. Section 68.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county treasurer shall receive and receipt for all money due the county from its collecting officer or from any other person whose duty it is to pay money into the county treasury, and shall hold such money subject to the order of the fiscal court. He shall not disburse any money received by him for any purpose other than that for which it was collected and paid over to him, and when he pays out money he shall take a receipt therefor.

(2) He may, and when directed by the fiscal court shall, institute actions in the name of the county against all delinquent sheriffs or collectors of the county, and against any one having money belonging to the county who fails or refuses to pay it over on demand when due. He shall keep a record of all actions he is directed to institute on behalf of the county, showing their condition and the money collected thereunder.

(3) He shall keep an accurate detailed account of all money received and disbursed by him for the county, and shall keep books of accounts of the financial transactions of the county in the manner required by any uniform system of accounting prescribed by the Department of *Finance* [Revenue].

(4) He shall keep his office at the county seat, in a room or rooms provided by the fiscal court. He shall keep his office open for the collection of money at all reasonable times, except on Sundays and legal holidays.

(5) The county treasurer shall, when required by the fiscal court, settle his accounts as county treasurer, and within thirty days

after the close of each fiscal year, he shall make a full and complete settlement for the preceding fiscal year with the fiscal court or with a person or persons whom the fiscal court, by order of record, appoints to make settlement with him. In case of a vacancy, the county judge shall call a special term which shall proceed in the manner it deems proper to settle the accounts of the county treasurer.

Section 8. Section 68.220 of the Kentucky Revised Statutes is amended to read as follows:

The fiscal affairs of each county, except those pertaining to education, shall be administered by the fiscal court under a uniform budget system. The county budget shall provide for all the funds to be expended by the county from current revenue for each fiscal year. The Department of *Finance* [Revenue] shall classify the counties for budget purposes upon the basis of their populations and expenditures, or upon some other proper basis, and may classify them in the same manner for the purpose of prescribing accounts.

Section 9. Section 68.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) The clerk of the fiscal court shall keep an appropriation ledger, containing separate accounts for each budget fund. Each account shall show in detail the amount of the original appropriation, all transfers to or from the budget fund, all expenditures duly approved by the fiscal court and properly chargeable to the fund, and the unencumbered balance remaining in the fund.

(2) The county treasurer shall keep a budget ledger, in which he shall, immediately after the adoption of the county budget by the fiscal court, credit each budget fund provided for in the budget, and he shall account for each budget fund separately.

(3) The appropriation ledger, the books of the county treasurer and all fiscal court orders relating thereto or relating to claims of any nature shall be open for inspection at all reasonable times to any taxpayer, and the county treasurer's books shall at all times be open to inspection by the members of the fiscal court.

(4) All books, blanks and forms required to be used by county officials in the administration of the fiscal affairs of the county under the budget laws shall be provided and paid for by the county and approved by the Department of *Finance* [Revenue].

Section 10. Section 68.350 of the Kentucky Revised Statutes is amended to read as follows:

The Department of *Finance* [Revenue] shall examine the budget records and make such investigations as may be necessary to determine the condition of the financial affairs of each county. If the department finds that any county officer or member of a county budget commission is willfully violating or neglecting the duties imposed by KRS 68.210 to 68.370, it may institute legal proceedings in the Franklin circuit court to compel compliance with the law.

HB 82, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 132.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) Deposits belonging to a resident of Kentucky in any national bank not of this state or in any bank, trust company, or combined bank and trust company not organized under the laws of this state and unmanufactured tobacco insofar as it is subject to taxation by KRS 132.190 and 132.200 shall be listed, assessed and valued as of September 1 of each year. [Motor vehicles shall not be assessed as of January 1, 1961, but shall be listed, assessed, and valued as of March 1, 1961, and as of March 1 of each year thereafter.] Money in hand shall be listed, assessed, and valued as of September 1 of each year. Shares of stock, notes, bonds, accounts, and other credits, whether secured by mortgage, pledge, or otherwise, or unsecured, and all interest in such property, unless otherwise provided by law shall be listed, assessed, and valued as of the beginning of business on January 1 of each year. All other taxable property and all interest in other taxable property, unless otherwise specifically provided by law, shall be listed, assessed, and valued as of *January 1, 1962, and January 1 of each year thereafter.* [January 1 of each year.] It shall be the duty of all persons owning or having any interest in any property taxable in this state to list or have listed such property with the county tax commissioner of the county where it is located, between January 1 and March 1 in each year, except as otherwise provided by law. All persons in whose name property is properly assessed shall remain bound for the tax, notwithstanding they may have sold or parted with it.

(2) Any taxpayer who has a reasonable excuse for not listing his property before the county tax commissioner or his deputy may appear before any person authorized to administer an oath and make the necessary affidavit required by the schedule as to the value of his property and may then return the schedule to the county tax commissioner. This shall be a compliance with the law in his particular case.

(3) Real property or any interest therein shall be listed in the taxing district where it is located, by the owner of the first freehold estate therein, and it shall be assessed without reference to conflicting title. If the owner fails to list the property, the county

tax commissioner shall nevertheless assess it. The county tax commissioner may swear witnesses in order to ascertain the person in whose name to make the list.

(4) Real property shall be assessed in the name of the owner, if ascertainable by the tax commissioner, otherwise in the name of the occupant, if ascertainable, and otherwise to "Unknown owner." The undivided real estate of any deceased person may be assessed to the heirs or devisees of such person without designating them by name.

(5) Beginning in the year 1951, all real property exempt from taxation by Section 170 of the Constitution shall be listed with the county tax commissioner in the same manner and at the same time as taxable real property. The county tax commissioner shall maintain an inventory record of such tax exempt property, but such property shall not be placed on the tax rolls.

Section 2. Section 132.285 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any city may by ordinance elect to use the annual county assessment for property situated within such city as a basis of ad valorem tax levies ordered or approved by the legislative body of the city. Any city making such election shall notify the Department of Revenue and county tax commissioner prior to the next succeeding assessment to be used for city levies. In such event the assessment as finally determined for county tax purposes shall serve as a basis of all city levies for the fiscal year commencing after the county assessment date. Each city which elects to use the county assessment shall annually appropriate and pay each fiscal year to the office of the county tax commissioner for deputy and other authorized personnel allowance, supplies, maps and equipment, and other authorized expenses of the office, one and one-half cent for each one hundred dollars of the assessment applicable to the city tax levies, or thirty thousand dollars, whichever, is smaller. This allowance shall be based on the assessment as of the previous January 1. Each county tax commissioner shall at the end of each month file a claim with the city for the salaries of his deputies, other personnel, and other expenses of his office incurred during the month which are reimbursable from city funds; and the city shall order payment in an amount not to exceed the appropriation authorized by this section. Notwithstanding any statutory provisions to the contrary, the assessment dates for such city shall conform to the corresponding dates for the county, and such city may by ordinance establish additional financial and tax procedures that will enable it effectively to adopt the county assessment. *The legislative body of any city adopting the county assessment may fix the time for levying the city tax rate, the fiscal year, due and delinquency dates for taxes and any other dates that*

will enable it effectively to adopt the county assessment, notwithstanding any statutory provisions to the contrary. Any such city may, by ordinance, abolish any office connected with city assessment and equalization; except that in the case of a city assessor who is elected by the qualified voters of the city, the office may not be abolished before the end of the term of such assessor. Any city which elects to use the county assessment shall have access to the assessment records as soon as completed and may obtain a copy of that portion of the records which represents the assessment of property within such city. Once any city elects to use the county assessment, such action cannot be revoked without notice to the Department of Revenue and the county tax commissioner six months prior to the next date as of which property is assessed for state and county taxes.

(2) In the event any omitted property is assessed by the county tax commissioner as provided by KRS 132.310 such assessment shall be considered as part of the assessment adopted by the city according to subsection (1).

[(3) A city may adopt due and delinquency dates for real property, personal property, and motor vehicles or any combination thereof identical to the respective dates for state and county taxes.]

Section 3. Section 132.485 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county clerk shall furnish weekly to the county tax commissioner a copy of the registration certificate for each motor vehicle and housetrailer registered. The address including the county in which the owner of the motor vehicle or housetrailer resides shall be shown on the copy of the registration certificate furnished. The county tax commissioner shall forward to the appropriate county tax commissioner all registration certificates showing a county of residence other than his own. All copies of transfers of registered motor vehicles and housetrailers dated on or before May 1 in the current year shall be forwarded by the county clerk to the county tax commissioner. The county tax commissioner is authorized to list the motor vehicle or housetrailer listed on the registration certificate on the property tax rolls without notifying the taxpayer.

(2) The registration of a motor vehicle or housetrailer with the county clerk in order to operate it or permit it to be operated upon the highways shall be deemed consent by the registrant thereof for the motor vehicle or housetrailer to be assessed by the county tax commissioner at a valuation determined from a standard manual prescribed by the Department of Revenue for valuing motor vehicles or housetrailers for assessment unless the registrant appears in person before the tax commissioner to assess the vehicle.

(3) *The registration of a motor vehicle on or before the date that the registration of such vehicle is required is prima facie evidence of ownership on January 1.*

[(3) This section does not apply to motor vehicles and housetrailers owned and operated by agencies of the state and federal governments.]

(4) *This section does not apply to motor vehicles and housetrailers owned and operated by public service companies, common carriers or agencies of the state and federal governments.*

[(4) The registration of a motor vehicle on or before the date that the registration of such vehicle is required is prima facie evidence of ownership on March 1.]

Section 4. Section 133.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Revenue annually shall furnish to each county clerk tax bill forms designed for adequate accounting control sufficient to cover the taxable property on the rolls. These tax bill forms shall be furnished not later than ten days after the Kentucky Tax Commission has rendered its certification. The county annually shall furnish the county clerk with sufficient tax bill forms for his use in the preparation of tax bills for all taxpayers who are liable for a poll tax and who own no property assessed for taxation.

(2) After receiving the forms the county clerk shall make out for the use of the sheriff or collector a correct tax bill for each taxpayer in the county whose property has been assessed and whose valuation is included in the certification provided in KRS 133.180. If the bills are bound, the cost of binding shall be paid out of the county levy. Each tax bill [other than a bill for tax on a motor vehicle,] shall show the rate of tax upon each one hundred dollars worth of property for state, county, and school purposes; the name of the taxpayer and his mailing address; the number of acres of farm land and its value; the number of lots and their value; the amount and value of notes and money; the value of mixed personal property; the county poll; the school poll; the school tax; and the total amount of taxes due the state, county, school fund, and other levies. The county clerk shall attest each bill by signing it officially. Provision shall be made for the sheriff to have a stub, duplicate, or other proper evidence of receipt of payment of each tax bill.

(3) Tax bills prepared in accordance with the certification of the Kentucky Tax Commission shall be delivered to the sheriff or collector by the county clerk before September 15 of each year. The clerk shall take a receipt showing the number of tax bills and the total amount of tax due each taxing district as shown upon the

tax bills. The receipt shall be signed and acknowledged by the sheriff or collector before the county clerk, filed in the county court, and recorded in the order book of the county court in the manner required by law for recording the official bond of the sheriff.

(4) Upon delivery to him of the tax bills, the sheriff or collector shall mail a notice to each taxpayer, showing the total amount of taxes due the state, county, school fund, and other levies, the date on which the taxes are due, and any discount to which the taxpayer may be entitled upon payment of the taxes prior to a designated date.

Section 5. Section 134.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) All state, county, and district taxes, except as otherwise provided by law, shall be due and payable on September 15 following the assessment; except that all taxes in any year on unmanufactured tobacco, money in hand, or money on deposit outside this state, shall be due and payable on the second succeeding September 15 following the assessment, unless otherwise provided by law.

(2) Any taxpayer who pays his state, county, or district taxes by November 1 after they become due in any year shall be entitled to two percent discount thereon, and the sheriff shall allow the discount and give a receipt in full to the taxpayer. The sheriff may, at any time after the taxes mentioned in this section become due, receive less than the face amount of the tax bill as a credit on the amount due, including the amount of any penalties then due; and every such payment shall be credited upon the tax bill or upon sheets annexed thereto for that purpose, and acknowledged in writing or by a rubber stamp, indicating the amount so paid to the sheriff.

(3) All state, county, and district taxes, except as otherwise provided by law, shall become delinquent on January 1 following their due date. [except that all state, county, and district taxes on motor vehicles shall become delinquent on December 1 following their due date in the year 1961 and on December 1 following their due date in each year thereafter.]

(4) Any taxes which are not paid by the date when they become delinquent shall be subject to a penalty of six percent on the taxes due and unpaid; except that taxes which became delinquent on January 1 shall be subject to a penalty of only two percent on the taxes due and unpaid, if paid on or before the last day of January. The sheriff shall collect the penalty and account for it as he is required to collect and account for taxes.

Section 6. Section 136.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every railway company, sleeping car company, chair car company, dining car company, gas company, water company, ferry company, bridge company, street railway company, interurban electric railroad company, express company, electric light company, electric power company, telephone company, telegraph company, bus line company, regular route common carrier trucking company, air transport company, pipeline company, common carrier water transportation company, and every other like company or business performing any public service shall annually pay a tax on its operating property to the state and to the extent such property is liable to taxation shall pay a local tax thereon to the county, incorporated city, and taxing district in which its operating property is located.

(2) The property of such taxpayers shall be classified as operating property, nonoperating tangible property, and nonoperating intangible property. Nonoperating intangible property within the taxing jurisdiction of the Commonwealth shall be taxable for state purposes only at the same rate as the intangible property of other taxpayers not performing public services, and operating property and nonoperating tangible property shall be subject to state and local taxes at the same rate as the tangible property of other taxpayers not performing public services.

(3) The Department of Revenue shall have sole power to value and assess all of the property of every corporation, company, association, partnership, or person performing any public service, including those enumerated above and all others to whom this section may apply, whether or not such operating property, nonoperating tangible property, or nonoperating intangible property has heretofore been assessed by said department, and shall, except as provided in subsection (4) of this section, allocate such assessment as provided by KRS 136.170, and shall certify operating property liable to local taxation and nonoperating tangible property to the counties, cities, and taxing districts as provided in KRS 136.180. All of the property assessed by the department pursuant to this section shall be assessed as of December 31 each year for the following year's taxes, and the lien therefor shall attach as of such assessment date. Provided, however, that in the case of a taxpayer whose business is predominantly nonpublic service and the public service business in which he is engaged is merely incidental to his principal business, the department shall in the exercise of its judgment and discretion determine, from evidence which it may have or obtain, what portion of the operating property is devoted to the public service business subject to assessment by the department under this section and shall require the remainder of the property not so engaged to be assessed by the local taxing authorities.

(4) (a) The Department of Revenue shall likewise have sole power to value and assess all the property within the taxing jurisdiction of this Commonwealth of every refrigerator car company, tank car company, coal car company, every like car company, and every irregular route common carrier truck company and may, in determining the proportion of the value of such property within the taxing jurisdiction of Kentucky, take into consideration the car or truck mileage made by the cars or trucks of such companies. The department shall not certify the assessment of the rolling stock of such companies to any county, city, or taxing district, but shall apportion and certify the operating property, other than rolling stock, to the counties, cities, and taxing districts where such property is located. The rolling stock of such companies shall be taxable for state purposes only at the rate of two dollars and fifty cents upon each one hundred dollars of value, and shall not be subject to taxation by a county, city, or other taxing district.

(b) The property of taxpayers within the meaning of paragraph (a) of this subsection shall likewise be classified as operating property, nonoperating tangible property, and nonoperating intangible property. The nonoperating intangible property of the companies within the meaning of this subsection which are within the taxing jurisdiction of the Commonwealth shall be taxable for state purposes at the same rate as the intangible property of nonpublic service taxpayers.

[(5) (a) Notwithstanding the provisions of subsections (3) and (4) of this section, every corporation, company, association, partnership, or person performing any public service who is required to be assessed under KRS 136.115 to 136.200 shall annually list for assessment with the county tax commissioner and other local assessors in the county in which the vehicle is registered in the same manner as all other persons all of its motor vehicles registered in Kentucky. Any motor vehicle required to be registered by the Department of Motor Transportation shall be listed for assessment with the county tax commissioner and other local assessors in the county in which it is principally operated.

(b) Every corporation, company, association, partnership, or person performing any public service, required by subsection (5) (a) to list its motor vehicles with the county tax commissioner and other local assessors, shall pay the tax to the county sheriff and other local collectors in the same manner required for the payment of other ad valorem taxes.]

Section 7. Section 136.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Revenue shall determine the fair cash

value of the operating property of a domestic public service corporation as a unit. The fair cash value of the operating property shall be equalized.

(2) The Department of Revenue shall determine the fair cash value of the operating property of a foreign public service corporation or a domestic public service corporation with property or routes in Kentucky and outside Kentucky as a unit according to subsection (1). The fair cash value of the operating property everywhere valued as a unit shall be apportioned to Kentucky based on the average of the property factor and the business factor. The fair cash value of the operating property in Kentucky shall be equalized.

(a) The property factor shall fairly reflect the amount of operating property operated, owned, or leased in Kentucky compared to the total amount of operating property operated, owned, or leased everywhere. An allocable portion of the rolling stock, aircraft, and watercraft of a common carrier shall be included in the operating property, operated, owned, or leased in Kentucky. This factor may be a single factor or an average of several factors.

(b) The business factor shall fairly reflect the utilization of the operating property operated, owned, or leased in Kentucky compared to the utilization of the operating property operated, owned, or leased everywhere. This factor may be a single factor or an average of several factors.

[(3) The Department of Revenue shall deduct the motor vehicle assessment made with the county tax commissioner after the valuation of the operating property in Kentucky is made and equalized according to subsection (1) or (2) of this section.]

(3) The nonoperating tangible and nonoperating intangible property of public service corporations whose operating property is valued according to either subsection (1) or (2) shall be valued by the Department of Revenue in the same manner and according to the same standards as if this property were valued by the county tax commissioner in the county where the property has a taxable situs.

Section 8. *Section 132.710, 134.415, 186.035 and 281.634 of the Kentucky Revised Statutes are repealed.*

Section 9. *Any and all amounts derived from the levy and collection of the taxes levied by this Act shall be credited to the general fund.*

Section 10. *WHEREAS, the 1960 General Assembly enacted a comprehensive law covering the assessment, collection, and delinquency dates for motor vehicles subject to ad valorem property taxation; and, WHEREAS, such law was declared unconstitutional by the courts; and, WHEREAS, it is necessary to eliminate confusion and* *doubt as to the assessment, collection, and delinquency dates on motor vehicles, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.*

HB 81, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 133.070 of the Kentucky Revised Statutes is amended to read as follows:

Property in territory annexed by another civil division shall not be subject to ad valorem taxation in the annexing civil division until the assessment date next following the date of annexation.

[(1) All assessments of property made in territory that is later annexed to another civil division shall be certified by the county tax commissioner making the assessment to the annexing civil division, and submitted by it to its supervisors to be equalized. When equalized, the regular annual tax of the annexing division shall be levied by the proper authority, placed upon its tax bills and collected as its other taxes. The taxes, if allowed to become delinquent, shall be subject to the same interest and penalty charged and enforced in the manner provided by the law governing the annexing division.]

[(2) If the supervisors are about to adjourn or have adjourned when the assessment is certified, their session may be extended for a reasonable time or they shall be reconvened to pass upon such certified assessment. Should the assessment and equalization be completed after the regular levy of taxes for that year has been made, a levy may thereafter be made, as soon as practicable, for that year's tax.]

Committee on Labor and Manufacturing reported **SB 54** with the expression of opinion that same should not pass.

House Message

Announcing passage of **HB 57, HB 145, HB 102, HB 113, HB 188, HB 196.**

Senator Overbey moved, seconded by Senator Miller, that **SB 54** be recommitted to the Committee on Labor and Manufacturing. Agreed.

Calendar

SB 36, SB 30 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 5 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Bishop moved the Previous Question on **SB 5.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kinkead, Kiser, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

Senator Bishop moved that the vote by which **SB 5** was passed be reconsidered and that said motion be laid on the table.

Senator Mann requested that the Journal show that he be recorded as voting "Yea" on **SB 5.** Agreed.

Reference of Bills and Resolutions

The Clerk announced that the following bills and resolutions had been referred:

Ky. Statutes #1: **HB 65, HB 91, HB 75, HB 101, HB 103, HB 130, HB 131, HB 132, HB 133, HB 134, HB 135, HB 136, HB 137, HB 138, HB 141, HB 146, HB 126, SR 26, SB 128, SB 129, SB 130, SB 131, SB 132, SB 133, SB 134, SB 135, SB 136, SB 137, SB 139, SB 140, SB 142, SB 145, SB 146, SB 153.**

Administrative Agencies: **HB 158, HB 159, SB 144.**
Courts and Legal Procedure: **SB 138.**
Insurance: **SB 141.**
Ky. Statutes #2: **SB 143.**
Charitable, Penal and Reformatory Institutions: **SB 147.**
Joint Committee on State Government Operations: **SR 27.**

Senator Ware moved that the Senate adjourn until 1 p.m., Tuesday, February 6. Agreed.

TUESDAY, FEBRUARY 6, 1962
TWENTY-NINTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Robert J. Laughlin, Pastor of the First Presbyterian church of Frankfort.

The roll was called. All present except Senator Derickson, who was granted leave of absence on motion of Senator McCann.

Reading of Journal for February 5 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions and Communications

Senator Swope requested withdrawal of his name as sponsor of **SB 162.** Agreed.

House Message

Announcing passage of **SB 45, SB 46, SB 49.**

Introduction of Bills

SB 181, by Senator Kinkead: AN ACT relating to obscene material.

SB 182, by Senators Raney and Buckman: AN ACT relating to the names of the Department of Industrial Relations and the Department of Agriculture, Labor and Statistics.

SB 183, by Senators Raney and Buckman: AN ACT regulating private employment agencies.

SB 184, by Senator Blue: AN ACT relating to hours of work and annual leave for members of police departments in cities of the third class.

SB 185, by Senator Martin: AN ACT relating to superintendent of schools.

SB 186, by Senator Martin: AN ACT relating to Workmen's Compensation.

SB 187, by Senator Johnson: AN ACT relating to tax.

SB 188, by Senator Bishop: AN ACT relating to the Teachers' Retirement System and making an appropriation.

SB 189, by Senator McCann: AN ACT relating to trials.

Report of Committees

Committee on Municipalities reported **SB 94** with the expression of opinion that the same should not pass.

Committee on Municipalities reported **SB 68, SB 115** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 68, AN ACT relating to the adoption of codes and also revision of ordinances by reference.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is hereby added to Chapter 82 of the Kentucky Revised Statutes the following section:

82.080. Adoption of codes and revisions of ordinances by references.

(1) The legislative bodies of cities of all classes shall have power and authority to adopt traffic, building, plumbing, electrical and other codes by reference and also revisions and codifications of ordinances without the necessity of newspaper or other publication of same, provided that at least five days' notice of the meeting at which same are adopted has been given in a newspaper published, or of general circulation, in said city, and further that said code has been approved at such meeting of said city legislative body and has been made a part of the public records of the city by resolution or ordinance.

SB 115, AN ACT relating to city civil service.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 90.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) The civil service commission shall prescribe and propound such examinations as may be proper, commensurate with vacant positions within the various departments of the city, according to classification prescribed by ordinance, shall set such times and places for holding examinations as may be proper and shall give public notice of examinations at least ten days in advance by causing a notice to be printed once in the official newspaper, containing all facts appertaining thereto, *except as provided in subsection (5) of this section.*

(2) The civil service commission shall, as soon after examinations as is practicable, certify to the mayor or other appointing authority a list of the applicants so examined, with the one having the highest average ranked first and all others ranked numerically according to the result of the examination.

(3) Every soldier, sailor, marine, member of the air forces, Army

Nurses Corps and members of other branches of the military services and Red Cross nurses who served during the period of hostilities between the United States and the Central Powers in World War I and between the United States and Japan and Germany in World War II, who has been honorably discharged, is a resident voter of the city and who is an applicant for any position of civil service of that city shall be entitled to five percent increase on his examination mark.

(4) The civil service commission of cities of the second class shall maintain an eligible list of not less than three for each position to be filled.

(5) The appointing authority may designate certain civil service positions and prescribe that for such positions: the examinations shall first be given exclusively to current employes, provided, however, that if less than three employes with a minimum of two years seniority achieve a passing grade, the examination shall be held in accordance with subsection (1) of this section.

Section 2. Section 90.330 of the Kentucky Revised Statutes is amended to read as follows:

(1) The civil service commission shall examine all applicants as to their physical and mental qualification for the particular classification wherein they seek employment. To be eligible for examination a person must not be less than twenty-one nor more than forty-five years of age, a law-abiding citizen of sobriety and integrity, and must be able to read and write and understand the English language *provided, however, that any present employe who is over forty-five years of age and who is otherwise qualified shall be eligible to take any promotional examinations.*

(2) No person shall be appointed to a position under civil service until that person is a resident of that city.

Section 3. Section 90.350 of the Kentucky Revised Statutes is amended to read as follows:

(1) The appointing authority shall make all civil service appointments, and the appointments shall be made only from the lists of applicants certified to him by the civil service commission after examination. Appointments shall be made only by the selection of one of the three holding the highest averages in the particular class and grade wherein the vacancy exists, except as provided in subsection (6) of this section.

(2) Whenever it is imperative to fill a vacancy in classified civil service before the commission can certify a list of as many as three persons eligible for appointment after competitive examination, the appointing authority shall nominate a competent person from

the same class or next lower rank to the commission for noncompetitive examination, and if certified by the commission as qualified after the noncompetitive examination he may be appointed provisionally to fill the vacancy until an appointment can be made after competitive examination. This provisional appointment shall continue only until a regular appointment can be made from the eligible list prepared by the commission, which eligible list shall be prepared within thirty days after a vacancy occurs in cities of the second class, or within ninety days after vacancy in cities of the third class.

(3) In case of great emergency and when no one upon the eligible list or by promotion from a lower rank is available, an appointment may be made by the appointing authority without examination, but in no case shall such appointment continue longer than thirty days in cities of the second class, or sixty days in cities of the third class, and in no case shall successive appointments be made of the same person, or other persons, to such vacancy.

(4) Temporary appointments made necessary by reason of illness or disability of regular employes shall continue only during such period of disability.

(5) The death of an employe shall not authorize an appointment without examination in cities of the second class.

(6) Whenever, from any cause, there shall be a vacancy in any of the classified services, the employe in said classification ranking next highest in seniority, if he chooses, shall succeed to and fill said vacancy, unless upon charges made by the city that said employe is not qualified to fill said vacancy, and after notice and upon trial to determine his qualifications in the same manner as is now required for the dismissal, suspension or reduction in grade or pay of an employe, it be established by the city that said employe has not the necessary qualifications to enable him to discharge the duties of the office or position in which the said vacancy occurs. Provided that in case of a vacancy in the classified service, where peculiar and exceptional qualifications of a particular professional or educational character are required, upon satisfactory evidence that for reasons stated in writing by the appointing authority, competitive examination in such case *has failed to provide an eligible list* [is impracticable]; the commission may suspend the provisions requiring competitive examination under civil service.

(7) Where the service to be rendered by an appointee in the classified service is for a temporary period not to exceed thirty days in cities of the second class, or sixty days in cities of the third class, and the need of such service is imperative, the appointing authority may select for that temporary service any person on the list of those

eligible for permanent appointment. Successive temporary appointments to the same position shall not be made under this provision. The acceptance or refusal by an eligible applicant of a temporary appointment shall not affect his standing on the register for permanent employment, nor shall temporary service be counted as part of the probationary service in case of subsequent appointment to a permanent position.

(3) No person shall be certified by the commission from an eligible list more than four times to the same appointing authority for the same or similiar position.

Section 4. Section 90.990 of the Kentucky Revised Statutes is amended to read as follows:

Any person who shall knowingly, or willingly, or intentionally, or through gross negligence, violate any of the provisions of [KRS 90.110 to 90.240] *this chapter pertaining to cities of the first and second classes,* shall be guilty of a misdemeanor, and shall upon conviction thereof be subject to a fine of not less than fifty dollars nor more than five hundred dollars, provided, however, that the provisions of this section shall not apply to KRS 90.220.

Committee on Administrative Agencies reported **SB 56, HB 158, HB 159** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 56, AN ACT relating to state officers and employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 45.340 of the Kentucky Revised Statutes is amended to read as follows:

Except where otherwise provided by law, checks for salaries due to public officers and employes shall be issued [weekly,] semimonthly. [, monthly or for such other period of time not exceeding thirty days which may be designated by the Department of Finance with the approval of the Governor.] Checks shall be tendered to an officer or employe only after he has completed the work for which he is being paid and not later than fifteen days after the designated pay period.

HB 158, AN ACT relating to urban renewal and redevelopment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 99.350 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the council of any community by resolution finds and

declares (a) that there exist in the community slum areas or blighted areas, (b) that there is need in the community for the exercise of powers, functions, and duties conferred by KRS 99.330 to 99.510, and (c) that the exercise of such powers, functions and duties by an agency created and established pursuant to this section would be more efficient and in the public interest than the exercise of such powers, functions and duties by the community or the housing commission of the community pursuant to KRS 99.470, an agency to be known as the *urban renewal and community* [slum clearance and] development agency of the city or county, as the case may be, shall thereupon exist for such community with the powers, duties and functions provided for in KRS 99.330 to 99.510.

(2) Upon adoption of the resolution, the mayor shall be promptly notified and he shall appoint, with the approval of a majority of the council, five resident electors of the community as members of the agency.

(3) Three of the members who are first appointed shall be designated to serve for terms of one, two and three years respectively, and the remaining two of such members shall be designated to serve for terms of four years each, from the date of their appointment. Any appointments heretofore made for a term of five years are hereby confirmed and declared to be appointments for a term of four years from the date of such appointment. Thereafter members shall be appointed as aforesaid for a term of office of four years, except that all vacancies occurring during a term shall be filled for the unexpired term. A member shall hold office until his successor has been appointed and qualified.

(4) The agency shall elect a chairman from among its members. The term of office as chairman of the agency, unless otherwise prescribed by the council shall be for the calendar year, or for that portion thereof remaining after each such chairman is designated or elected.

(5) The powers of each agency shall be vested in the members thereof then in office. Members of an agency or their staff shall receive their actual and necessary expenses, including traveling expenses, provided, however, that such other compensation, if prescribed, shall be paid exclusively from community funds.

(6) For inefficiency or neglect of duty or misconduct in office, a member of an agency may be removed by the council but the member may be removed only after he shall have been given a copy of the charges at least ten days prior to a public hearing thereon and has had an opportunity to be heard in person or by counsel.

(7) No officer or employe of the community, or of the agency, who in the course of his duties is required to participate in the formulation of plans or policies for the redevelopment of a develop-

ment area, or to approve such plans or policies, shall acquire any interest in any property included within a development area within the community. If any such officer or employe owns or has financial interest, direct or indirect, in any property included within such development area he shall immediately disclose, in writing, such interest to the agency and to the council and such disclosure shall be entered in the minutes of the agency and of the council. Failure to so disclose such interest shall constitute misconduct in office. No payment shall be made to any member or officer of an agency for any property or interest therein acquired by the agency from such member or officer unless the amount of such payment is fixed by court order in eminent domain proceedings, or unless such payment is unanimously approved by the council.

(8) When an agency is created for any community, the council may at that time, and from time to time thereafter, appropriate such amounts of money to the agency as it deems necessary for the administrative purposes of the agency. The administrative purposes of the agency may include staff and consultants for research, studies and surveys, designation of development areas, preparation of development plans, estimates of the cost of acquisition, clearance and conditioning of land for redevelopment, estimates of the fair use value of the land and any other administrative expenses considered necessary by the council.

(9) Each such agency shall file with the council a detailed report of all its transactions, including a statement of all revenues and expenditures, at such intervals as the council may prescribe.

(10) At any time after two years after the appointment of the first five members of the agency, if such agency shall not theretofore have redeveloped or acquired land for, or commenced the redevelopment of, a project, or entered into any contracts for redevelopment, the council may by resolution declare that the offices of the members of the agency shall be vacated and thereupon the capacity of the agency to transact business or exercise any power shall be suspended and shall remain suspended until the appointment of new members to the office of the agency as hereinbefore set forth in this section.

HB 159, AN ACT relating to auxiliary police forces in counties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The fiscal court of any county may by order provide for the establishment or abolishment of an auxiliary police force to perform duties within the county upon such terms and conditions as the fiscal court deems proper. The order shall prescribe the number of officers and men of such force, the manner of their appointment, and the rules and regulations that shall govern the powers and duties of the members of such force, including the power of arrest.

Committee on Criminal Law reported **SB 35** with the expression of opinion that the same should pass, with Committee Amendments attached thereto.

Said Committee Amendments to **SB 35** are as follows:

Amendment #1, Senate Bill 35, page 1, line 7, adding immediately after the word "parole", the following language: "for a period of twenty years".

Amendment #2, Senate Bill 35, page 2, line 4, adding immediately after the word "parole", the following language: "for a period of twenty years".

Amendment #3, Senate Bill 35, page 2, line 9, adding immediately after the word "parole", the following language: "for a period of twenty years, or by death".

Amendment #4, Senate Bill 35, page 2, line 14, inserting immediately after the word "parole" and before the word "if", the following language: "for a period of twenty years".

Amendment #5, Senate Bill 35, page 2, line 24, adding immediately after the word "parole", the following language: "for a period of twenty years".

Amendment #6, Senate Bill 35, page 3, line 10, inserting immediately after the word "parole" and before the word "if", the following language: "for a period of twenty years".

Amendment #7, Senate Bill 35, page 3, line 28, adding immediately after the word "parole", the following language: "for a period of twenty years, or by death".

Amendment #8, Senate Bill 35, page 4, line 10, inserting immediately after the word "parole" and before the word "or", the following language: "for a period of twenty years".

Amendment #9, Senate Bill 35, page 4, line 21, adding immediately after the word "parole", the following language: "for a period of twenty years".

Amendment #10, Senate Bill 35, page 5, line 21, adding immediately after the word "parole", the following language: "for a period of twenty years".

Amendment #11, Senate Bill 35, page 6, line 15, adding immediately after the word "parole", the following language: "for a period of twenty years".

SB 35, with Committee Amendments attached thereto, read at length for the first time and ordered placed in the Calendar.

SB 35, AN ACT relating to death penalty.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 433.140 of the Kentucky Revised Statutes is amended to read as follows:

Any person who commits robbery or burglary or any act penalized by KRS 433.130, and in committing the act uses or displays any pistol, gun or other firearm or deadly weapon shall be punished by confinement in the penitentiary for life, or *life without benefit of parole* [by death].

Section 2. Section 433.150 of the Kentucky Revised Statutes is amended to read as follows:

Any person who, with an offensive weapon or instrument, unlawfully and maliciously assaults another, or who in any forcible and violent manner demands any money, goods or chattels, bond, bill, deed or will or other evidence of right, or other thing of value from any person, with an intent to rob or commit a robbery upon him, shall be punished by confinement in the penitentiary for twenty-one years or for life, or *life without benefit of parole* [by death].

Section 3. Section 435.010 of the Kentucky Revised Statutes is amended to read as follows:

Any person who commits willful murder shall be punished by confinement in the penitentiary for life, or *life without benefit of parole* [by death].

Section 4. Section 435.030 of the Kentucky Revised Statutes is amended to read as follows:

Any person who violates any of the provisions of KRS 432.020 to 432.050 shall be punished by confinement in the penitentiary for life, or *life without benefit of parole* [by death,] if the death of any person occurs in the course of or by reason of the violation, or the violation contributes to the death.

Section 5. Section 435.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who willfully obstructs any public road or private passway by stretching or placing any obstruction dangerous to the traveling public on or across it, and thereby causes a person to suffer a fatal injury, shall be punished by confinement in the penitentiary for life, or *life without benefit of parole* [by death].

(2) Any person who willfully obstructs any public road or private passway by stretching or placing any obstruction dangerous to the traveling public on or across it, whereby any person is injured, shall be confined in the penitentiary for not less than one nor more than five years.

Section 6. Section 435.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in subsection (2), (3) and (4) of this section, "mob" means any number of persons more than three, assembled to do violence or injury to or lynch any person in the custody of a peace officer or jailer in this state.

(2) Any person who takes part in and with any mob shall be punished by confinement in the penitentiary for life, or *life without benefit of parole* [by death,] if the person in custody meets death at the hands of the mob.

(3) Any person who takes part in and with a mob shall be confined in the penitentiary for not less than two nor more than twenty-one years, if the person in custody does not meet death at the hands of the mob.

(4) Any person not standing in the relationship of husband or wife, parent, grandparent, child, grandchild, brother or sister, by consanguinity or affinity, who, after subsections (2) and (3) of this section have been violated, harbors, conceals or aids any member of the mob who participated in the offense, with the intent that that member of the mob shall escape arrest or punishment, shall be confined in the penitentiary for not less than two nor more than twenty-one years.

Section 7. Section 435.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who commits rape upon a child under twelve years of age shall be punished by confinement in the penitentiary for life, or *life without benefit of parole* [by death].

(2) Any person who attempts to commit rape upon a child under twelve years of age shall be confined in the penitentiary for not less than five nor more than twenty years.

Section 8. Section 435.090 of the Kentucky Revised Statutes is amended to read as follows:

Any person who unlawfully carnally knows a female of and above twelve years of age against her will or consent, or by force or while she is insensible, shall be punished [by death, or] by confinement in the penitentiary for life without privilege of parole, or by confinement in the penitentiary for life, or by confinement in the penitentiary for not less than ten years nor more than twenty years.

Section 9. Section 435.100 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in subsection (2) of this section, any male person who carnally knows, with her consent, any female child, not his wife, and any female person who carnally knows any male child, not her husband, shall:

(a) If the child is under twelve years of age, be punished by confinement in the penitentiary for not less than twenty nor more than fifty years, or *for life without benefit of parole* [by death].

(b) If the child is of the age of twelve years and under sixteen, be confined in the penitentiary for not less than five nor more than twenty years.

(c) If the child is of the age of sixteen years and under eighteen, be confined in the penitentiary for not less than two nor more than ten years, unless it is shown by the evidence, beyond a reasonable doubt, that the prosecutrix is sexually immoral or has a reputation for sexual immorality, in which case the defendant shall be fined not more than five hundred dollars. In all prosecutions for carnally knowing a female between the ages of sixteen and eighteen years, previous acts of sexual immorality committed by the female and her general reputation for sexual immorality may be proven.

(2) Any male person of the age of seventeen years and under twenty-one and any female person of the age of eighteen years and under twenty-one who violates any of the provisions of this section shall be fined not more than five hundred dollars.

(3) When the complaining witness is over the age of sixteen years and the defendant is under twenty-one, testimony may be heard in aggregation or mitigation of the charge.

Section 10. Section 435.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who, forcibly or otherwise, holds another against his will to unlawfully obtain a ransom for his release, or who aids or abets any person thus offending, shall be punished by confinement in the penitentiary for life, or *life without benefit of parole* [by death].

(2) Any person charged with violating subsection (1) of this section may be tried in any county into or through which the person held or taken has been carried or brought.

Section 11. Section 435.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who recklessly throws a stone or other missile at or into, or shoots at or into, any railroad engine or cars attached to the engine, passenger coach, any station or station platform occupied by any person, or at or into any motor vehicle, stationary or traveling upon any public highway in this state, shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned for not less than six nor more than twelve months.

(2) If the missile thrown or the shot fired was calculated to produce death or great bodily harm, and any person on or in the engine, cars, coach, station, station platform or motor vehicle is injured or wounded the person so throwing or shooting shall be confined in the penitentiary for not less than one nor more than five years, and should death ensue from such throwing or shooting within one year thereafter the person guilty of the throwing or shooting shall be punished by confinement in the penitentiary for life, or *life without benefit of parole* [by death].

Committee on Banks and Banking reported **SB 73, SB 75, SB 76, SB 77** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 73, AN ACT relating to banking.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 287.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) Before filing the articles of incorporation of any financial institution mentioned in KRS 287.040, the incorporators shall present a copy of their proposed articles to the *commissioner* [director] of banking, who shall investigate the financial standing, moral character and capability of each of the incorporators, and determine whether there is reasonable assurance of sufficient volume of business for the proposed corporation to be successful, and whether the public convenience and advantage will be promoted by the opening of the proposed corporation.

(2) If the *commissioner* [director] of banking determines that it is expedient and desirable to permit the proposed corporation to engage in business, he shall approve the articles of incorporation in writing, and the articles then may be filed and recorded as provided in the general corporation law.

(3) Within one year after the granting of a charter to a new bank such bank must be in operation. The commissioner of banking may grant one six-month extension period if the conditions and circumstances warrant such action.

SB 75, AN ACT relating to banking.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 287.080 of the Kentucky Revised Statutes is amended to read as follows:

The minimum capital required of a financial institution by KRS 287.070 shall be paid in full in money, and in addition thereto there shall be so paid in a surplus of *not less than fifty* [twenty] percent of the minimum capital required. Such money shall be in the custody of the directors before the corporation may commence business.

SB 76, AN ACT relating to banks and trust companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 287.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any trust company or bank empowered to act as a fiduciary under the laws of this state and subject to examination by state or Federal banking authorities may:

(a) Set apart in a separate common trust fund certain definite securities and properties which conform with state requirements as to investments;

(b) Issue shares or participation certificates in such trust fund; and

(c) Invest trust funds in its hands for investment in such shares or participation certificates.

(2) Before establishing a common trust fund as provided in subsection (1), the trust company or bank shall file with the director of banking a statement of the plan under which it proposes to establish, maintain, operate and ultimately liquidate the trust fund, and shall secure the written approval of the plan by the director of banking.

(3) After such a trust fund has been established, it may be modified or amended by filing with the director of banking a statement setting forth the proposed modification or amendment, and securing the written approval of the change by the director of banking.

(4) The bank or trust company shall at all times maintain definite records showing all securities and properties held in such fund, and all participation certificates issued against such fund.

[(5) The beneficiaries of any trust or estate shall have a claim, prior to any and all other claims against the bank or trust company, for any money due the trust or estate.]

SB 77, AN ACT relating to banks and trust companies.
Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 287.195 of the Kentucky Revised Statutes is amended to read as follows:

Any bank or trust company or combined bank and trust company may apply to the Commissioner of Banking for permission to remain closed on any day of the week fixed by the adoption of a resolution of the board of directors of such institution. If the Commissioner of Banking deems that the public interest will be adequately served thereby, he shall grant to such applying institution permission to remain closed on such fixed day provided fifteen days' notice of such closing be given the public by posting a statement to such effect in some conspicuous place in said institution. Any day upon which such bank or trust company or combined bank and trust company shall, pursuant to such permission and notice, remain closed, shall in respect of such institution be deemed a holiday for all purposes, and no bank or trust company or combined bank and trust company shall be required to permit access to its safe deposit vaults on such day. When a contract by its terms requires the payment of money or the performance of a condition on any such day by or at such institution, such payment may be made or condition performed on the next business day succeeding such day when such institution shall so remain closed, with the same force and effect as if made in accordance with the terms of the contract, and no liability or loss of rights shall result from such delay.

[Provided, however, that no such bank or trust company nor combined bank and trust company shall close on any such day during any week in which there occurs any one of the public and legal holidays enumerated in KRS 2.110.]

Committee on Banks and Banking reported **SB 78** with the expression of opinion that the same should pass by way of Committee Substitute. Committee Substitute for **SB 78** read at length for the first time and ordered placed in the Calendar.

SB 78, AN ACT relating to holidays.
Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 2.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) The 1st day of January (New Year's Day), the 19th day of January (Robert E. Lee Day), the 30th day of January (Franklin

D. Roosevelt Day), the 12th day of February (Lincoln's Birthday), the 22nd day of February (Washington's Birthday), the 30th day of May (Memorial Day), the 3rd day of June (Confederate Memorial Day, and Jefferson Davis Day), the 4th day of July (Independence Day), the first Monday in September (Labor Day), the 12th day of October (Columbus Day), the 11th Day of November (Veterans Day), the 25th day of December (Christmas Day), of each year, and all days appointed by the President of the United States or by the Governor as days of thanksgiving, are holidays, on which all the public offices of this Commonwealth may be closed; and, subject to the provisions of subsection (2) hereof, shall be considered as Sunday for all purposes regarding the presenting for payment or acceptance, and of protesting for and giving notice of the dishonor of bills of exchange, bank checks, and promissory notes, placed by law upon the footing of bills of exchange. If any of the days named as holidays occur on Sunday, the next day thereafter shall be observed as a holiday but bills of exchange or other papers may be presented for payment or acceptance on the *next business day* [Saturday preceding the holiday] and proceeded on accordingly.

(2) Any bank, trust company, or combined bank and trust company may, at its option, either close or remain open for business on the 19th day of January (Robert E. Lee Day), the 30th day of January (Franklin D. Roosevelt Day), the 12th day of February (Lincoln's Birthday), the 22nd day of February (Washington's Birthday), the 3rd day of June (Confederate Memorial Day, and Jefferson Davis Day), the 12th day of October (Columbus Day) and the 11th day of November (Veterans Day). Any bank, trust company, or combined bank and trust company electing to remain open on such of the [above mentioned] holidays *mentioned in this subsection* may do so and as to such bank, trust company, or combined bank and trust company such day or days shall not constitute a holiday within the meaning of the provisions of the negotiable instrument law or any other law of the Commonwealth and such bank, trust company, or combined bank and trust company shall incur no liability by reason remaining open on such *a* holiday. [,] *If any such* [provided that only] banks, trust company, or [any] combined bank and trust company [,] *elects to close on such holidays,* [electing to remain open on any of the above mentioned holidays which occurs on a Monday, Tuesday, Wednesday, Thursday, or Friday, shall remain closed the following Saturday.] any act authorized, required, or permitted to be performed at or by such *a* bank, trust company, or combined bank and trust company, may be performed on the next succeeding business day and no liability or loss of rights of any kind shall result from remaining closed notwithstanding the provisions of any law of this Commonwealth to the contrary. The provisions of this section shall not operate to invalidate or prohibit the doing of any of the aforementioned legal

holidays of any act by any person or bank or trust company, or combined bank and trust company, and nothing in this section shall, in any manner whatsoever affect the validity of or render void or voidable the payment, certification, or acceptance of a check or any other negotiable instrument or any other transaction by any person or bank or trust company or combined bank and trust company because done or performed during any of the aforesaid holidays, notwithstanding the provisions of any other law of this Commonwealth to the contrary.

(3) No person shall be compelled to labor on the first Monday in September (Labor Day) by any person.

Committee on Banks and Banking reported **SB 91, SB 122, SB 74** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 91, AN ACT relating to the form of certain public securities, amending Section 61.390 of the Kentucky Revised Statutes.

WHEREAS, insurance companies and other large purchasers of municipal bonds sometimes prefer to designate the particular form or denomination of the securities which they purchase, and will offer advantageous prices for issues which permit some exercise of choice in such matters, and

WHEREAS, the issuer of such securities may also find a certain freedom of choice as to the form of the instrument to be convenient in other respects,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 61.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any bonds heretofore or hereafter authorized to be issued by any unit under the provisions of any law heretofore or hereafter enacted and any interest coupons attached thereto may, if so authorized by the governing body of such unit, bear or be executed with the facsimile signature of any official authorized by such law to sign or to execute such bonds or coupons; provided, however, that each such bond shall be manually signed by at least one official of such unit. In case any such law shall provide for the sealing of such bonds with the official or corporate seal of such unit or of its governing body or any official thereof, a facsimile of such seal may be imprinted on the bonds if so authorized by the governing body of such unit, and it shall not be necessary in such case to impress such seal physically upon such bonds.

(2) *In case any such law shall provide that bonds issued thereunder shall be negotiable, such bonds shall be offered for sale as negotiable bonds, payable to bearer, with or without attached coupons for the payment of interest and with or without privilege of registration as to principal only, or registration as to both principal and interest, as the governing body of the issuing unit may determine; but such governing body may nevertheless additionally provide, in its discretion, that any purchaser of all or any of such bonds shall have a right and privilege to designate, subject to such conditions and restrictions as the governing body may prescribe, that such bonds, or any of them, be issued in the first instance in fully registered non-negotiable form, or in one or more denominations of such purchaser's own choosing, or both, whether in negotiable or non-negotiable form, with or without attached coupons, with or without registration provision, and with or without rights of conversion or reconversion from one form and denomination to another, at the option of the holder or holders from time to time.*

(3) In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and any bond may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution of such bond shall be the proper officers to sign such bond although at the date of such bond such persons may not have been such officers.

(4) The words "public securities" as used herein shall mean bonds, notes or other obligations for the payment of money issued by this state, by its political subdivisions, or by any department, agency or other instrumentality of this state or of any of its political subdivisions.

(5) This section shall not repeal any other law authorizing the execution of public securities with facsimile signatures or seals.

SB 122, AN ACT relating to industrial development finance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 154 of the Kentucky Revised Statutes is created to read as follows:

Recognizing that the rapid development of a statewide system of airports is of prime importance in the industrial development of the state, the General Assembly re-affirms its previous declarations that the acquisition, establishment, construction, enlargement, improvement, maintenance, equipping, and operation of airports is a public purpose, and further declares the financing of local airport projects to be within the proper province of the Kentucky Industrial Development Finance Authority.

Section 2. A new section of Chapter 154 of the Kentucky Revised Statutes is created to read as follows:

As used in this chapter, "local airboard" means an airboard established pursuant to KRS 183.132 to 183.138.

Section 3. A new section of Chapter 154 of the Kentucky Revised Statutes is created to read as follows:

A "local airboard" may apply to the Authority for assistance in carrying out any project authorized by KRS 183.132 to 183.138. The Authority shall approve or disapprove the application, subject to the provisions of Sections 2 to 7 of this Act and regulations of the Authority.

In order to expedite the processing of loans to a "local airboard" the Kentucky Industrial Finance Authority may delegate to its Executive Committee the authority to approve or disapprove loans from this fund for purposes of financing and developing local airport projects. In the event that the Executive Committee of the Authority is delegated authority to approve or disapprove loans to a "local airboard" the Kentucky Industrial Finance Authority shall review loans approved or disapproved at least once monthly.

Section 4. A new section of Chapter 154 of the Kentucky Revised Statutes is created to read as follows:

To be eligible to receive a loan under Section 4 of this Act, a local airboard shall:

(1) Furnish towards the projects an amount equal to at least one-fourth of its share of the project.

(2) Show its inability to obtain the full amount required from any other source than the Authority.

Section 5. A new section of Chapter 154 of the Kentucky Revised Statutes is created to read as follows:

A loan made under Section 3 of this Act:

(1) Shall be repayable in not more than ten years, although the Authority pursuant to regulation may contract that it shall be repayable in less time;

(2) Shall be secured by a mortgage on airport property or such other security as the Authority may deem acceptable.

Section 6. A new section of Chapter 154 of the Kentucky Revised Statutes is created to read as follows:

(1) The Authority shall promulgate regulations governing loans made under Section 3 of this Act. The regulations shall provide:

(a) the rate of interest to be charged;

(b) the terms of loans;

(c) standards for determining the soundness and feasibility of projects;

(d) the form and contents of applications for loans; and

(e) such other matters as the Authority may determine to be necessary consistent with the provisions of this Act.

(2) Regulations governing the granting of loans shall be based on the expressed purposes of Sections 2 to 7 of this Act and shall be such as to reasonably protect the loan by the Authority.

(3) The Authority shall not grant a loan under Section 4 of this Act unless the Department of Aeronautics has recommended that the loan be granted.

Section 7. A revolving fund is established for the purposes of Sections 1 to 6 of this Act. The Authority shall administer the fund.

Section 8. Sections 183.781 to 183.793 of the Kentucky Revised Statutes are repealed.

SB 74, AN ACT relating to trusts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 386.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any fiduciary holding funds for loan or investment may invest them in:

(a) Bonds or other interest-bearing obligations of the federal government;

(b) Bonds, state warrants and other interest-bearing obligations of this state;

(c) Any bonds issued by or for federal land banks and any debentures issued by or for federal intermediate credit banks under the Act of Congress known as the Federal Farm Loan Act; and any amendments thereto, and any debentures issued by or for banks for cooperatives under the Act of Congress known as the Farm Credit Act of 1933, and any amendments thereto;

(d) Notes and bonds secured by mortgage or trust deed insured by the Federal Housing Administrator, obligations issued or insured by the Federal Housing Administrator, and securities issued by National Mortgage Associations;

(e) Obligations representing loans and advances of credit that are eligible for credit insurance by the Federal Housing Administrator, and the fiduciary may obtain such insurance;

(f) Loans secured by real property or leasehold, that the Federal Housing Administrator insures or makes a commitment to insure, and the fiduciary may obtain such insurance;

(g) Real estate mortgage notes, bonds and other interest-bearing or dividend-paying securities (including securities of any open-end or closed-end management type investment company or investment trust registered under the Federal Investment Company Act of 1940) which would be regarded by prudent businessmen as a safe investment;

(h) Real estate, after obtaining the approval of the county court for such investment; and

(i) Life insurance, endowment and annuity contracts issued by legal reserve companies authorized to do business in this state, after obtaining the approval of the county court for such investment. Said fiduciary may select any optional settlement provided in a policy maturing by death or as an endowment.

(2) Fiduciaries holding funds for loan or investment may make loans with the securities named in subsection (1) as collateral.

(3) The fiduciary shall account for all interest or profit received.

[(4) All dividends on shares of a corporation forming a part of the principal of an estate or trust which are payable in shares of the same class of the corporation and which are payable at a rate of ten percent or more of the corporation's outstanding shares of such class before such dividend, shall be deemed principal of the estate or trust, and all such dividends payable at a rate less than ten percent of the corporation's outstanding shares of such class before such dividend, shall be deemed income of the estate or trust. Subject to the provisions of this section, all dividends payable otherwise than in the shares of the same class of the corporation itself, including ordinary and extraordinary dividends and dividends payable in shares or other securities or obligations of corporations other than the declaring corporation, shall be deemed income. Where the trustee shall have the option of receiving a dividend either in cash or in the shares of the declaring corporation, it shall be considered as a cash dividend and deemed income, irrespective of the choice made by the trustee.]

Committee on Kentucky Statutes #1 reported **HB 65**, **HB 75**, **HB 91**, **HB 136** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 65, AN ACT relating to the Judicial Branch of State Government, with particular relation to Circuit Judges and Judges and Commissioners of the Court of Appeals, and the Director of the Administrative Office of the Courts; making provisions for service, compensation and expenses of circuit judges as Special Commissioners of the Court of Appeals; and making provisions with respect to retirement systems for Circuit Judges and Judges and Commissioners of the Court of Appeals and the Director of the Administrative Office of the Courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

Each regular circuit judge shall be, ex officio, a special commissioner of the Court of Appeals, and as such shall perform such duties and render such services, at such times and places, co-extensive with the Commonwealth, as may be required by the Court of Appeals. The duties and services may include, but are not limited to, intermediate review of appealed cases. Each such special commissioner shall be paid out of the State Treasury a salary at the rate of $2,400 per annum, which shall be in addition to his salary as circuit judge. Expenses necessary to the performance of assigned duties of special commissioners shall be paid out of the State Treasury upon approval by the Court of Appeals. Should any such special commissioner fail or neglect, without cause, to perform any duty assigned to him, the Court of Appeals shall forthwith remove him from the office of special commissioner by entering an order on its record, copies of which shall be transmitted to the person removed and to the Department of Finance.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

The judicial retirement system established by KRS 21.350 to 21.580 shall extend to and embrace circuit judges and the Director of the Administrative Office of the Courts, upon their election to participate therein in accordance with the provisions of Section 3 of this Act. The word "service" as used in KRS 21.370 to 21.480 means service as a judge or commissioner of the Court of Appeals, or as a regular circuit judge, or as Director of the Administrative Office of the Courts, including service in one and then another of those capacities.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

Each circuit judge in office on July 1, 1962, and the Director of the Administrative Office of the Courts in office on that date, may within 30 days after that date, and any circuit judge or Director of the Administrative Office of the Courts thereafter taking office may within 30 days after taking office, elect to make monthly contributions to the judicial retirement system established under KRS 21.350 to 21.480 in an amount equal to three percent of his monthly official salary, including salary as special commissioner of the Court of Appeals. The election shall be effective to establish membership in the system as of July 1, 1962, or as of the date the judge or director thereafter took office, as the case may be. The election shall be addressed and filed, and have effect, the same as an election made by a judge or commissioner of the Court of Appeals under KRS 21.360.

Section 4. Section 21.370 of the Kentucky Revised Statutes is amended to read as follows:

Except *as* provided in subsection (2) of KRS 21.410 and in subsection (2) of KRS 21.420 no benefits shall be payable under KRS 21.350 to *21.480* [21.510,] to any *member,* [judge or commissioner,] or to his widow, [or children,] unless he has completed at least eight years of service, [as a judge or commissioner of the Court of Appeals or in one and then the other of those capacities.] *including service before becoming a member. No widow of a retired member shall be entitled to any benefits unless she was the wife of the member at the time he retired.*

Section 5. Section 21.380 of the Kentucky Revised Statutes is amended to read as follows:

The normal retirement date or age of a member shall be his *sixty-fifth* [seventieth] birthday; [except that in the case of a member who was over sixty years of age when he took office as a judge or commissioner the normal retirement date or age shall be the tenth anniversary of his becoming a member.] *however,* KRS 21.350 to *21.480* [21.510,] does not require that a member retire at the normal retirement date.

Section 6. Section 21.400 of the Kentucky Revised Statutes is amended to read as follows:

(1) A member who retires on or after his normal retirement date shall receive a service retirement allowance, payable monthly during his lifetime, in an amount per month equal to five percent of his final compensation multiplied by the number of years of *his* service, [as a judge or commissioner of the Court of Appeals (] including service before becoming a member of the system[)], but in no event

to exceed one hundred percent of final compensation. For this purpose, "final compensation" means the average monthly compensation of the member for the sixty months of service [as a judge or commissioner] immediately preceding his retirement, [.] *including, in the case of a circuit judge, compensation received as special commissioner of the Court of Appeals.*

(2) A member who retires before his normal retirement date shall be vested with the right to receive, when he reaches his normal retirement age, a service retirement allowance computed and payable in accordance with the provisions of subsection (1) of this section, on the basis of the number of years of his actual service. [as a judge or commissioner.]

(3) In lieu of the right provided for in subsection (2) of this section, a member who retires before his normal retirement age may elect, at any time before reaching his normal retirement age, to be paid commencing as of the time of the election a monthly service retirement allowance equal in amount to the monthly allowance that would have become payable under subsection (2) of this section when he reached his normal retirement age, reduced actuarially in accordance with his actual age at the time the election is made. [Provided, further, that an elected judge who retires at the expiration of his term of office after having served a minimum of ten years as judge and who is over the age of sixty-five at the time of retirement shall have the option of commencing to receive at once a monthly service retirement allowance equal to the monthly allowance that would have become payable under subsection (2) of this section when he reached his normal retirement age.]

Section 7. Section 21.430 of the Kentucky Revised Statutes is amended to read as follows:

A judicial retirement board is created to consist of five members, three of whom shall be appointed by the Court of Appeals and two by the Governor. The appointments by the Court of Appeals may be from among the [judges and commissioners of the Court of Appeals.] *members of the system.* The members *of the board* shall serve for terms of four years, commencing *as of* June 16, 1960, and until their successors are appointed and have qualified. The members shall annually elect a chairman. They shall serve without compensation. Vacancies shall be filled by the original appointing authority, for the unexpired term.

Section 8. Section 21.460 of the Kentucky Revised Statutes is amended to read as follows:

If any member of the system ceases, [to be a judge or commissioner of the Court of Appeals] other than by death or by disability retirement under KRS 21.410, *to hold an office qualifying him for* *membership in the system established by KRS 21.350 to 21.480,* without having completed eight years of service, he shall be refunded, on demand, the amount of his accumulated contributions, [.] *including, in the case of a circuit judge, contributions made by him under KRS 23.310 before he became a member of the system established by KRS 21.350 to 21.510. If thereafter he becomes again the holder of an office qualifying him for membership in the system he shall not be entitled to credit for his prior period of service unless at the time of his election to again participate in the system he repays to the system the amount that was refunded to him.*

Section 9. Sections 23.300 to 23.380, inclusive, of the Kentucky Revised Statutes are repealed, except that Sections 23.330 and 23.340 shall continue in force with respect to special circuit judges who were appointed under said sections prior to July 1, 1962, so long as any of them continue to serve as such special circuit judges.

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

All of the assets of the special circuit judge fund established under KRS 23.350 to 23.370 hereby are transferred to the Judicial Retirement Board established under KRS 21.430 and shall be available to that board for the purposes of KRS 21.350 to 21.480; provided, however, that so long as any of the special circuit judges appointed under KRS 23.300 to 23.380 prior to July 1, 1962, continue in service and so long as any circuit judge who made contributions to the special circuit judge fund prior to July 1, 1962, continues to be a member of the judicial retirement system established by KRS 21.350 to 21.480 or he draws benefits thereunder the assets so transferred and the income therefrom shall be held separate and apart for the purpose of paying compensation to such special circuit judges or benefits to such circuit judges; provided, further, that the assets of the Judicial Retirement Board as of June 30, 1962, and the income therefrom, shall also be held separate and apart for the purpose of paying benefits to the judges and regular commissioners of the Court of Appeals or their widows who are members of the judicial retirement system as of that date or who, having been members, have theretofore retired. Any appropriations or contributions to the Judicial Retirement Board for fiscal years beginning on or after July 1, 1962, shall be available, without separation, for all of the purposes of KRS 21.350 to 21.480.

Section 11. A new section of the Kentucky Revised Statutes is created to read as follows:

The existing membership of the Director of the Administrative Office of the Courts in the Kentucky Employes Retirement System provided for in KRS 61.510 to 61.700 shall terminate as of July 1, 1962, upon the same terms as provided in KRS 21.490. Thereafter, no Director of the Administrative Office of the Courts shall have membership in the Kentucky Employes Retirement System.

Section 12. A new section of the Kentucky Revised Statutes is created to read as follows:

The sums appropriated by the General Appropriation Act of the 1962 General Assembly to the Circuit Judges' Retirement System for the fiscal years 1962-63 and 1963-64 hereby are transferred to the Judicial Retirement Board for the purposes of KRS 21.350 to 21.480. There hereby is appropriated to the administrative office of the Court of Appeals, out of the General Expenditure Fund in the State Treasury, the sum of $148,800 per year for each of the fiscal years 1962-63 and 1963-64, for the purposes of Section 1 of this Act.

Section 13. This Act shall become effective on July 1, 1962.

HB 75, AN ACT relating to cities of the third class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 85.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) Members of the common council shall take office on first Monday in *January* [December] next after their election, and shall hold office for two years and until their successors are elected and have qualified.

(2) Each councilman, at the time of his election, shall be a citizen of Kentucky, shall have attained the age of twenty-four years, shall have actually resided within the city limits for two years next preceding his election, and the last year thereof in the ward for which he is chosen, and shall be a freeholder in the city.

(3) No person shall be eligible to the office of councilman who is, at the time of his election, interested in any contract with the city, or holds any franchise under, or any contract with, the city, or is a collector or keeper of city funds and has not, previous to his election, settled with the city and obtained a quietus. No councilman shall be eligible to any other city office during the period for which he was elected.

Section 2. Section 85.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) The mayor shall be the chief executive officer of the city. He shall be elected by the qualified voters of the city for a term of four years, and shall enter upon the discharge of his duties on the first Monday in *January* [December] next after his election, and hold office until his successor is elected and has qualified.

(2) No person shall be eligible to the office of mayor who is not eligible to the office of councilman, except as to residence in any particular ward.

(3) The mayor shall be ineligible to serve more than two successive four-year terms.

Section 3. Section 26.170 of the Kentucky Revised Statutes is amended to read as follows:

The police court in cities of the third class shall have one police judge. The judge shall enter upon the discharge of the duties of his office on the first Monday in *January* [December] next after his election. He shall receive an annual salary of at least six hundred dollars, payable monthly out of the city treasury. It may be increased by ordinance, but not during his term of office. No person shall be eligible to be police judge unless, at the time of his election, he is at least twenty-four years of age, is a qualified voter in the city, and has been an actual resident of the city for at least two years next preceding his election.

HB 91, AN ACT relating to state taxes on legal actions, proceedings and appeals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 142.011 of the Kentucky Revised Statutes is amended to read as follows:

(1) A tax of *five* [three] dollars hereby is levied on each original action in the circuit court, commencing with or without original process; on each original action in other courts when the amount in controversy, exclusive of interest and costs, exceeds fifty dollars; on each appeal to the circuit court or quarterly court; on each traverse of forcible entry or detainer; and on each proceeding to revive a judgment. A tax of *twenty-five* [five] dollars hereby is levied on each appeal to the Court of Appeals.

(2) The revenue derived from the taxes imposed by this section shall be paid into the State Treasury and credited to the General Expenditure Fund, for general state purposes.

HB 136, AN ACT relating to the eligibility for public assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 205.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) A needy aged person, a needy blind person, a needy child,

a needy permanently and totally disabled person, or a *person* [relative] with whom a needy child lives shall be eligible to receive a public assistance grant only if he has made a proper application or an application has been made on his behalf in the manner and form prescribed by regulation. No individual shall be eligible to receive public assistance under more than one category of public assistance for the same period of time.

(2) Public assistance shall not be payable to or in behalf of any individual who is an inmate of a public institution, except as a patient in a medical institution, or to or in behalf of any individual who is a patient in an institution for tuberculosis or mental diseases, or who has been diagnosed as having tuberculosis or psychosis and is a patient in a medical institution as a result thereof.

(3) The commissioner may, by regulation, prescribe as a condition of eligibility that a needy child regularly attend school, and may further, by regulation, prescribe the degree of relationship of the person or persons in whose home such needy child must reside.

(4) No child born out of wedlock [after June 15, 1950] shall be eligible under KRS 205.160 to 205.250 and KRS 205.260 to 205.320 as a needy child until after a bastardy proceeding involving the child has been initiated. The requirement of this subsection may be waived as prescribed by regulation if a bastardy proceeding cannot be had or would be futile, or would not be to the best interest of such child, or its mother or contrary to the public interest.

(5) *Public assistance shall not be payable to or in behalf of any individual who has taken any legal action in his own behalf or in the behalf of others with the intent and purpose of establishing eligibility for such assistance.*

(6) The department shall promptly notify the appropriate law enforcement officials of the furnishing of aid to dependent children in respect to a child who has been deserted or abandoned by a parent.

(7) A needy aged person, a needy blind person, a needy child or a needy permanently and totally disabled person shall not be eligible to receive a public assistance grant unless he is a resident of this state at the time of receiving aid, and has been a resident of this state for such period of time prior thereto as is prescribed by regulation.

Committee on Ky. Statutes #1 reported **HB 101** with the expression of opinion that the same should pass, with Committee Amendment attached thereto.

Said Committee Amendment to **HB 101** is as follows:

Amend printed copy of HB 101, on page 6, line 17, by deleting the period at the end of line 17 and adding the following: "and the assistants if employed by the General Assembly for at least six legislative bienniums."

HB 101, with Committee Amendment attached thereto, read at length for the first time and ordered placed in the Calendar.

HB 101, AN ACT relating to the Kentucky Employes Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 61.510 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 61.510 to 61.700, unless the context otherwise requires:

(1) "System" means the Kentucky Employes Retirement System created by KRS 61.510 to 61.700;

(2) "Board" means the Board of Trustees of the system as provided in KRS 61.645;

(3) "Department" means any state department or board or agency participating in the system in accordance with appropriate executive order, as provided in KRS 61.520. For purposes of KRS 61.510 to 61.700, *the members, officers and employes of the General Assembly* [the General Assembly, officers and employes thereof] shall be deemed to be a department;

(4) "Examiner" means the medical examiner or examiners as provided in KRS 61.665;

(5) "Employe" means *the members, officers and employes of the General Assembly and every regular full-time appointed or elective officer or employe of a participating department, including the Department of Military Affairs.* [every person regularly employed in rendering service to and for a department and whose compensation is payable in whole or in part by such department. The term shall include all full-time, regular employes of the board and employes of the Department of Military Affairs whose compensation is paid wholly or in part by the federal government. If authorized by executive order as required by KRS 61.520, the term shall also include members and all regular constitutional officers and employes of the General Assembly.] *The term shall not include persons engaged as independent contractors, and seasonal, emergency, temporary and part-time workers.* In case of any doubt, the board shall determine if a person is an employe within the meaning of KRS 61.510 to 61.700;

(6) "Employer" means a department or any authority of such

department having the power to appoint or select an employe in such department, including the Senate and the House of Representatives;

(7) "State" means the Commonwealth of Kentucky;

(8) "Member" means any employe who is included in the membership of the system;

(9) "Service" means the total of current service and prior service as defined herein;

(10) "Current service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, on and after July 1, 1956 (except that for members, *officers and employes of the General Assembly* [of the General Assembly, officers and employes thereof], this date shall be January 1, 1960) for which *creditable* compensation is paid [by the employer during which employment the employe is a member of the system, except as otherwise provided in KRS 61.620]. *An employe shall be credited with one month of current service only in those months he receives compensation for at least one hundred hours of work; provided, however, that each member, officer and employe of the General Assembly shall be credited with a month of service for each month he occupies such position during a legislative biennium;*

(11) "Prior service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, prior to July 1, 1956, for which *creditable* compensation was paid [by the employer]; except that, for *members, officers and employes of the General Assembly this date shall be January 1, 1960.* [the General Assembly officers and employes thereof, "prior service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, prior to January 1, 1960, for which compensation was paid by the employer;] *An employe shall be credited with one month of prior service only in those months he received compensation for at least one hundred hours of work; provided, however, that each member, officer and employe of the General Assembly shall be credited with a month of service for each month he occupied such position during a legislative biennium;*

(12) "Beneficiary" means *the estate of a member or a* [any] person entitled to receive benefits under KRS 61.510 to 61.700;

(13) "Accumulated contributions" at any time means the sum of all amounts deducted from the compensation of a member and credited to his individual account in the members' contribution account, together with interest credited on such amounts, and any other amounts the member shall have contributed thereto, including interest credited thereon;

(14) "Creditable compensation" means *all salary, wages and fees paid to the employe as a result of services performed for the employer.* [the compensation to an employe, arising from funds disbursed by the State Treasurer, or, with respect to employes of the Department of Military Affairs, arising from funds disbursed either by the State Treasurer or by the federal government, working the full working time for his position;] *The creditable compensation of members, officers and employes of the General Assembly shall be calculated as having been received in equal amounts for each month of the biennium.* [provided, however, that in the case of members and officers of the General Assembly, all compensation received during a legislative biennium shall be calculated as having been received in equal amounts for each month of the biennium, but only if said member, or officer shall continue in said capacity for the entire biennium.] In cases where compensation includes maintenance and other perquisites, the board shall fix the value of that part of the compensation not paid in money;

(15) "Final compensation" of a member means the creditable compensation *of* [to] the member during the five *fiscal* [calendar] years he was paid at the highest average monthly rate of any of the last ten years of creditable compensation preceeding the member's retirement date divided by the number of months of service during that five-year period *multiplied by twelve.* Said five years may be fractional *and* need not be consecutive; [, and include only years during which creditable compensation is received by the member. In no case will final compensation be less than that determined on the assumption that the member retired on his normal retirement date. All benefits shall be paid in accordance herewith.]

(16) "Retirement allowance" means the retirement payments to which a member is entitled; [Any person receiving a retirement allowance on March 25, 1960, who has been a member, officer, or employe of the General Assembly, shall be entitled to have his allowance recomputed upon application but within ninety days following such effective date. Any such person who has left the state service before March 25, 1960, without receiving a retirement allowance, but who would have been eligible to receive such an allowance under the provisions of KRS 61.510 to 61.700, shall be entitled to such allowance if he shall not have withdrawn his accumulated contributions, or, if he has withdrawn them, if he re-deposits them with the system, together with interest at a rate determined by the board, within ninety days following March 25, 1960;]

(17) "Actuarial equivalent" means a benefit of equal value when computed upon the basis of such actuarial tables as are from time to time adopted by the board;

(18) "Normal retirement date" means the sixty-fifth birthday

of a member; [or the date on which the member completes ten years of service, whichever occurs later, except that in no case will a member's normal retirement date be later than his seventy-fifth birthday. The normal retirement date for any member who has passed his seventy-fifth birthday on the date he becomes a member shall be the date he becomes a member, except as otherwise provided in KRS 61.590. Notwithstanding anything to the contrary contained in this subsection (18), the normal retirement date of a member shall not be earlier than July 1, 1957;]

(19) "Fiscal year" of the system means the twelve months from July 1 through the following June 30;

(20) *"Officers and employes of the General Assembly" means the occupants of those positions enumerated in KRS 6.150.*

Section 2. A new section of Kentucky Revised Statutes is enacted to read as follows:

(1) Any member of the system on July 1, 1962, and whose employment has previously been terminated without prejudice and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board provided payment is made prior to January 1, 1963.

(2) Any person who becomes an employe of a participating department after July 1, 1962, and whose employment has been terminated without prejudice prior to July 1, 1962, and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board provided such payment is made within six months of re-employment.

(3) Effective July 1, 1962, and thereafter any employe of a participating department who did not elect membership as provided in KRS 61.525 (2) may obtain credit for prior service and for current service by paying to the system the contribution he would have paid had he elected membership with interest at the rate determined by the board and an additional sum equal to fifty percent of this amount. The payment of the fifty percent sum shall be considered as accumulated contributions of the individual member.

(4) Effective July 1, 1962, and thereafter, an employe of a participating department, which did not participate in the system effective July 1, 1956, may obtain credit for current service between July 1, 1956, and the effective date of participation of his department by paying to the system the contribution he would have paid had his department participated on July 1, 1956, with interest at the

rate determined by the board and an additional sum equal to fifty percent of this amount. The payment of the fifty percent sum shall be considered as accumulated contributions of the individual member.

(5) Service credit obtained under this section shall be disallowed if a member does not obtain twelve months additional current service after the date such rights under this section have been exercised.

Section 3. Section 61.530 of the Kentucky Revised Statutes is amended to read as follows:

Any person who is an employe on the date his department first participates in the system, either in service or on leave from service, who does not elect within the time set forth in KRS 61.525 to become a member and thereby make contributions required of him by KRS 61.510 to 61.700, shall forfeit all right for credit for service with any department prior to the date he might subsequently elect to become a member, *except as provided in Section 2 of this Act.* [notwithstanding anything contained in KRS 61.510 to 61.700 to the contrary. Prior to the last day of the period during which he may elect to become a member, each such person shall be notified of the penalty resulting from his failure to elect to become a member.]

Section 4. Section 61.535 of the Kentucky Revised Statutes is amended to read as follows:

(1) The membership of any person in the system shall cease:

(a) Upon withdrawal of his accumulated contributions at or any time after termination of employment, regardless of length of service; [provided, however, that any person with more than five years of service whose employment has previously been terminated without prejudice, and who is re-employed before July 1, 1961, may re-contribute his previously withdrawn accumulated contributions, together with interest at a rate determined by the board, and receive credit for all prior service and the current service for which the accumulated contributions are being re-contributed; providing such re-contribution is made within six months following re-employment or March 25, 1960, whichever occurs later;]

[(b) Upon termination of employment, unless at such termination of employment the member has had at least ten years of service (except as modified by paragraph (b) herein); provided, however, that any person having more than ten years of service but less than twenty years shall cease to be a member after the expiration of eight years from termination of employment if not re-employed by that time;]

(b) Upon disability retirment;

(c) Upon service retirement;

(d) Upon death; *and*

(e) Upon termination of employment with prejudice. [after twenty years of service.]

(2) For purposes of KRS 61.510 to 61.700, termination of employment with prejudice shall mean termination as the result of conviction of the member in a court of competent jurisdiction of embezzlement or larceny of public funds or property or malfeasance in office, or the forcing of a member to make restitution for any funds or property criminally taken by said member at the time of termination of employment.

Section 5. Section 61.540 of the Kentucky Revised Statutes is amended to read as follows:

Under such rules and regulations as are adopted by the board, each employe [of an employer upon becoming a member, or some one on his behalf,] *and each employer* shall file with the board, in such form as the board may prescribe, a statement of the facts pertaining to [his status as a] *the* member [, which shall include a detailed description of all service rendered prior to the date of the most recent termination of membership, as the result of termination of employment with such employer,] and such other information as the board may require. Until such statement is filed, no member or his beneficiary shall be eligible to receive any benefits under KRS 61.510 to 61.700. [As soon as practicable after said statement is filed, the board shall ascertain the amount of service prior to his becoming a member, if any, to which a member is entitled and shall issue to such member a certificate certifying the length of such service rendered by him which certificate shall, however, become void upon termination of membership for any reason except for death or retirement.]

Section 6. Section 61.560 of the Kentucky Revised Statutes is amended to read as follows:

(1) [(a)] Each member shall, commencing on the date he becomes a member, contribute for each pay period for which he received compensation *four* [two and three-fourths] percent of his creditable compensation. [if his rate of annual compensation does not exceed $4,200. If such member's rate of annual compensation exceeds $4,200, he shall contribute two and three-fourths percent of that portion of his creditable compensation not in excess of the equivalent applicable rate for such pay period to annual compensation of $4,200 and four percent of that portion of his creditable compensation which is in excess of such rate applicable to annual compensation of $4,200.]

(2) [(b)] Each employe of a department on the date the department first participates in the system who elects to become a member within six months subsequent to such date shall make contributions which he would have made if he had elected to become a member as of the date such department first participated.

(3) [(2)] The Commissioner of Finance shall cause to be deducted from the salary or compensation of each member whose compensation is paid by the state, for each and every payroll period subsequent to the date of establishment of the system, and the Adjutant General shall collect from each member in the Department of Military Affairs, whose compensation is paid wholly or in part by the federal government at the time of payment, the contribution payable by each such member as provided in KRS 61.510 to 61.700. [but in no case shall any deduction be made from the compensation of a member after his normal retirement date if such member elects not to contribute.]

(4) [(3)] In determining the creditable compensation of a member in a payroll period, the board may consider the rate of compensation payable to such member on the first day of the payroll period as continuing throughout such payroll period, and, to facilitate the making of deductions, may allow the omission of deductions [from any fractional amount less than one dollar from any member in any period and may allow the omission of deductions] from compensation for any period less than a full payroll period if any employe was not a member on the first day of the payroll period.

(5) [(4)] The deductions provided for herein shall be made notwithstanding that the minimum compensation provided by law for any member shall be reduced thereby. Every member shall be deemed to consent and agree to the deductions made as provided herein; and payment of salary or compensation less such deductions shall be a full and complete discharge of all claims for services rendered by such person during the period covered by such payment, except as to any benefits provided by KRS 61.510 to 61.700.

(6) [(5)] Notwithstanding any other provisions of this section, no deduction shall be made from any member's compensation if the employer's contribution requires hereunder is in default.

Section 7. Section 61.565 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each employer shall contribute annually an amount equal to a *percent* [certain percentage] of the creditable compensation of its members, to be known as the "normal contribution", and an additional amount equal to *five percent of unfunded past service liabilities, to be known as the "past service contribution."* [a certain

percentage of such creditable compensation to be known as the "prior service liability contribution".]

(2) *The normal contribution rate shall be determined by the entry age normal cost funding method with respect to normal, early and delayed retirement benefits and as a unit credit method for all other benefits. The past service liability shall be determined by actuarial method consistent with the methods prescribed for determining the normal contribution rate. Normal contributions and the past service liability contributions shall be determined on actuarial bases adopted by the board.*

[Until the prior service liability contribution is no longer required, the normal contribution shall be determined as such annual amount payable during the member's period of service while under the system required to provide the retirement allowances due to such service not provided by the member's contributions. After the prior service liability contribution is no longer required, the normal contribution shall be determined as such annual amount payable during the members' periods of service under the system required to provide the difference between the total liabilities for retirement allowances not provided by members' contributions and the amount of the assets in the retirement allowance account.]

[(3) The prior service liability contribution shall be such annual amount required to provide for the liquidation, within thirty years of July 1, 1956, of the liability for retirement allowances due to prior service with the employer. The unfunded prior service liability at any particular time shall be the excess, if any, of the then present value of the retirement allowances due to prior service over the total accumulated prior service liability contributions previously made with interest on such contributions at the rates of interest earned each year on the assets of the system.]

(3) Normal contribution and the past service contribution rates shall be determined by the board on the basis of the annual actuarial valuation last preceding the July 1 of a new biennium.

[(4) Normal contributions and the prior service liability contributions shall be determined on actuarial bases adopted by the board. Such contributions shall be determined by the board after each valuation and shall continue in force until a new valuation is made.]

(4) [(5)] The board shall furnish to the employer prior to the beginning of each *biennium* [fiscal year] its best estimate of the normal contributions, the *past* [prior] service liability contributions and the expenses of administering the system as provided in KRS 61.645 to 61.670 necessary to meet the provisions of KRS 61.510 to 61.700 during the *biennium* [fiscal year] next following. The esti-

mated amount so furnished shall be included in the budget for the department and the department shall make available to the board sufficient funds to provide actual amounts necessary for contributions and expenses.

[(6) The aggregate employer contribution payable into the retirement allowance account shall be at least sufficient, when combined with the amount then held in the account, to provide the benefits payable from such account during the current year.]

Section 8. Section 61.575 of the Kentucky Revised Statutes is amended to read as follows:

(1) The members' contribution account shall be the account to which all members' contributions and interest allowances as provided in KRS 61.510 to 61.700 shall be credited. From this account shall be paid the accumulated contributions of a member required to be returned to him upon withdrawal, or paid in the event of his death before retirement.

(2) The Commissioner of Finance shall, at the end of each payroll period, transfer to the members' contribution account an amount equal to the aggregate amount of the deductions made for the preceeding payroll period from the salaries of all members. The Commissioner of Finance shall forward a record of all such transfers to the board.

(3) Each member's contribution provided for in KRS 61.560 shall be credited to the individual account of the contributing member.

(4) *Each member in active service and in vested retirement on June 30 of any year shall have his individual account of the members' contribution account* [Each individual account of the members' contribution account shall be] credited [annually] with interest at *a* [that] rate determined by the board but not less than two per centum per annum on the accumulated contributions of the member; provided, however, that interest shall accrue on any such contribution beginning at the end of the fiscal year in which each such contribution was made. Such amounts so credited shall be transferred from the retirement allowance account.

(5) Upon the retirement of a member, his accumulated contributions shall be transferred from the members' contribution account to the retirement allowance account.

Section 9. Section 61.590 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member in service at his normal retirement date, *or subsequent thereto, with at least one year of current service,* may retire [at that time or, with the consent of the Personnel Policy Com-

mittee of the Division of Personnel, Department of Finance, at any time thereafter] upon written notification to the board, made by such member, [or his employer,] setting forth at what time the retirement is to become effective, provided that such effective date shall be after his last day of service [but shall not be more than ninety days prior to or] *and* subsequent to the filing of such notice.

(2) Any member who is in service on or after his fifty-fifth birthday and has completed at least *fifteen* [twenty] years of service, *at least one of which is current service,* may [upon approval by the board,] retire upon written *notification* [request] to the board, made by the member [or his employer,] setting forth at what time the retirement is to become effective, provided that such effective date shall be after his last day of service and [after the filing of such notice but shall not be more than ninety days] subsequent to the filing of such notice.

(3) Any member having left [the] service *prior to his fifty-fifth birthday* after having completed at least *fifteen* [twenty] years of service, *at least one of which is current service,* [as of the date of leaving service] may retire *on or after his fifty-fifth birthday* [under the provision of subsection (1) of this section, or after having completed at least thirty years of service with his employer as of the date of leaving service, may retire under the provisions of subsection (2) of this section] provided he shall not have withdrawn his accumulated contributions prior to the effective date of his retirement. [and except that any requirements as to the member being in service shall not apply.] *The member shall file a written notification to the board setting forth at what time the retirement is to become effective, provided that such effective date shall be subsequent to the filing of such notice.*

Section 10. Section 61.595 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon service retirement at normal retirement date, or subsequent thereto, a member *may* [shall] receive an annual retirement allowance, payable monthly during his lifetime, which shall consist of an amount equal to *one* [one-half] percent of the *first $4,800* [$1,320] of final compensation multiplied by the number of years of service, [plus one percent of the next $2,880 of final compensation multiplied by the number of years of service,] plus one and one-fourth percent of final compensation in excess of *$4,800* [$4,200] multiplied by the number of years of service; except that the amount of such annual retirement allowance *for a member with ten or more years of service, at least one of which is current service,* shall not be less than $480 *provided that if such sum is greater than fifty-two percent of final compensation, the annual retirement allowance shall be fifty-two percent of final compensation.*

(2) Upon service retirement prior to normal retirement date, a member *may* [shall] receive an annual retirement allowance payable monthly during his lifetime which shall be determined in the same manner as for retirement at his normal retirement date with years of service and final compensation being determined as of the date of his actual retirement, but the amount of the retirement allowance so determined shall be reduced by *five-ninths* [five-twelfths] percent for each thirty days that the actual retirement date precedes the normal retirement date; and the determination made pursuant to this subsection shall not take into account the minimum allowance provided in subsection (1).

(3) All persons retired under this section shall be entitled to have their benefits recomputed on July 1, *1962,* [1960] in accordance with the formula then in effect, *provided that the annual retirement allowance of a member retired prior to this date shall not be decreased.*

Section 11. Section 61.600 of the Kentucky Revised Statutes is amended to read as follows:

Any member in service who has ten or more years of service, *at least one of which is current service,* may, at any time before his normal retirement date, retire on account of disability upon written notification to the board, made by the member, [or his employer] setting forth at what time the retirement is to become effective; provided that such effective date shall be after the last day of service *and subsequent* [but shall not be more than ninety days prior] to the filing of such notice; and provided further that the [examiner, after a medical examination of such member, shall certify that such] member is, and has been continuously since *his last day of service* [such effective date, if prior to the filing of such notice], mentally or physically incapacitated *to engage in any occupation for remuneration or profit, which disability is a result of bodily injury or disease* [for the further performance of duty], and that such incapacity is likely to be permanent [and that such member shall be retired].

Section 12. Section 61.605 of the Kentucky Revised Statutes is amended to read as follows:

Upon disability retirement, a member *may* [shall] receive an annual retirement allowance payable monthly during his lifetime which shall be determined in the same manner as for retirement at his normal retirement date with years of service and final compensation being determined as of the date of his disability execpt that the amount of such annual retirement allowance *for a member with ten or more years of service, at least one of which is current service,* shall not be less than $480 *provided that if such sum is greater than fifty-two percent of final compensation, the annual retirement allow-*

ance shall be fifty-two percent of final compensation. All members now retired because of disability shall have their retirement allowance recomputed *on July 1, 1962,* in accordance with *the formula then in effect,* [this section.] *provided that the annual retirement allowance of a member retired prior to this date shall not be decreased.*

Section 13. Section 61.610 of the Kentucky Revised Statutes is amended to read as follows:

Once each year [during the first five years] following the retirement of a member on a disability retirement allowance, [and once in every three-year period thereafter,] the board *may* [will] require such member, prior to his normal retirement date, to undergo a medical examination [by the examiner.]. Should the member refuse to submit to any such medical examination, his retirement allowance shall be discontinued until his withdrawal of such refusal, and should such refusal continue for one year, all his rights to any further disability allowance shall cease [and he shall, at the end of such one year, cease to be a member hereunder.].

Section 14. Section 61.615 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever [the examiner certifies to the board that] a member receiving a disability retirement allowance is, prior to his normal retirement date, engaged in gainful occupation of work paying more than the difference between the disability retirement allowance and *fifty percent of* his final compensation, the board may reduce such retirement allowance to an amount which, together with the amount earnable by him equals the amount of *fifty percent of* his final compensation.

(2) Should *it be determined* [the examiner report and certify to the board at any time] that any disabled member is able to engage in gainful occupation paying more than the difference between his retirement allowance and *fifty percent of* his final compensation at retirement, and should the board find that such member shall have refused any employment considered by the board suitable to his capacity, he shall not be entitled to any such allowance during the continuance of such refusal, unless in the opinion of the board such refusal was justified.

Section 15. Section 61.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) Should a member receiving a disability retirement allowance recover from such disability at any time prior to his normal retirement date, his disability retirement allowance shall cease, and if he re-enters the active employ of *a participating department* [an employer] within *one year of* [thirty days after] such recovery, he shall

continue to be a member of the system and shall thereafter make his required contributions. Any service on the basis of which his disability retirement allowance was computed shall thereafter be counted as service [and, in addition, the period of disability retirement shall be counted as service].

(2) The excess, if any, of accumulated contributions of such member as of the date of disability retirement over the disability retirement allowances received by him shall be transferred from the retirement allowance account to the members' contribution account.

Section 16. Section 61.625 of the Kentucky Revised Statutes is amended to read as follows:

If a member has ceased to be an employe [other than by death or by retirement under the provisions of KRS 61.510 to 61.700,] he, *if living, if not, his designated beneficiary,* shall be paid, on demand, but not later than ninety days thereafter, the amount of his accumulated contribution reduced by the amount of any retirement allowances previously received [by him] *in lieu of any other benefits due* under any of the provisions of KRS 61.510 to 61.700.

Section 17. Section 61.635 of the Kentucky Revised Statutes is amended to read as follows:

[(1)] Each member shall have the right [, with respect to paragraph (a), (b), (c), herein] to elect to have his retirement allowance payable under any one of the options set forth in this section in lieu of the retirement allowance otherwise payable to him upon retirement under any of *the* [these] provisions of KRS 61.510 to 61.700. The amount of any such optional retirement allowance shall be actuarially equivalent to the amount of retirement allowance otherwise payable to him. [; except, however, in the case of a member retiring after his normal retirement date, any such optional retirement allowance shall not be less than it would be if the member were then retiring on his normal retirement date. At least thirty days prior to the date payment of any retirement allowance or optional allowance is to commence, the member shall make such an election by written request to the board and such election shall be subject to the approval of the board.]

[(a) A member may elect to receive an increased retirement allowance in lieu of any death benefits as provided in KRS 61.630.]

(a) [(b)] The member may elect to receive a decreased retirement allowance during his lifetime and have such retirement allowance [, or one-half thereof if so designated,] continued after his death to another person during the lifetime of such person. In case of such an election death benefits that might otherwise be provided under KRS 61.630 shall not be payable upon the death of the member. [This

option may not be elected by a member if the social security option of paragraph (c) herein has previously been elected.]

(b) The member may elect to receive a decreased retirement allowance during his lifetime and have one-half of such retirement allowance continued after his death to another person during the lifetime of such person. In case of such an election death benefits that might otherwise be provided under KRS 61.630 shall not be payable upon the death of the member.

[(c) If a member retires prior to his sixty-fifth birthday, he may elect to receive an increased retirement allowance up to the date he commences to receive his primary insurance benefits under federal social security and a decreased retirement allowance thereafter, thereby providing a more nearly level retirement allowance when such decreased retirement allowances is added to his anticipated primary benefits under the Federal Social Security Act. The election of this option shall automatically revoke any previous election under the joint and last survivor option of paragraph (b) herein.]

[(2) The election by a member of any one of the options stated in this section shall be null and void if the member dies prior to retirement, and the election by a member of option (b) shall be effective only if the beneficiary is living at the effective date of the member's retirement.]

[(3) A member who has elected any one of the options stated in this section may, at any time prior to the later of the effective date of the member's retirement or the date of written notification to the board of retirement of the member, revoke such an election by written notification to the board.]

[(4) If any service or disability retirement allowance provided in KRS 61.590 through 61.640 is less than $20.00 a month, the board may at its discretion pay the actuarial equivalent of such allowance in any other manner agreed on by the member and the board.]

Section 18. Section 61.640 of the Kentucky Revised Statutes is amended to read as follows:

(1) If a member, eligible to retire on benefits payable as provided in KRS 61.590 (1) or (2), dies at any time before retirement and has on file with the board at the time of his death a written designation of a beneficiary, who is the spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive an annual benefit payable monthly which shall be equal in amount to the benefit that would have been paid had the member retired immediately prior to his date of death and elected option (a) as provided in KRS 61.635.

(2) If a member in service with twenty or more years of service, at least one of which is current service, dies at any time before his fifty-fifth birthday and has on file with the board at the time of his death a written designation of a beneficiary, who is the spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive on the date the member would have become fifty-five, an annual benefit payable monthly which shall be equal in amount to the benefit that would have been paid had the member retired on his fifty-fifth birthday and elected option (a) as provided in KRS 61.635.

[Should a member die at any time before retirement, the amount of his accumulated contributions, reduced by the amount of any retirement allowance previously received by him under any of the provisions of KRS 61.510 to 61.700, shall be payable in a lump sum to the properly designated beneficiary, if then living; otherwise, to the estate of the deceased member; provided, however, that if the member is in service at time of death and is eligible to retire on benefits payable as provided in KRS 61.590 (1) and (2), and has on file with the board at the time of his death a written designation of beneficiary, then said beneficiary shall receive an annual benefit payable monthly which shall be equal in amount to the benefit that would have been paid had the member retired immediately prior to his date of death and elected option (b) (100%) as provided in KRS 61.635 so that the retirement allowance (not one-half thereof) shall be continued during the life time of the beneficiary. Nomination of beneficiary may be changed by the member at any time prior to retirement by written designation signed by a member in such manner and on such forms as shall be required by the board. Such change shall be effective on the day such designation is received by the board.]

Section 19. Section 61.645 of Kentucky Revised Statutes is amended to read as follows:

(1) The system shall be administered by a Board of Trustees composed of nine members, who shall be selected and who shall serve for terms of four years, as follows:

(a) The Attorney General, ex officio;

(b) The Commissioner of Personnel, ex officio;

(c) One member elected by the members of the County Employes Retirement System;

(d) One member elected by the members of the State Police Retirement System;

(e) Two members elected by the members of the Kentucky Employes Retirement System;

(f) Three members appointed by the Governor of the Commonwealth.

(2) Schedule: Notwithstanding the provisions of subsection (1) herein, the terms of office of those members of the Board in office on the effective date of this Act shall continue until their normal expiration date, except that in the case of the Director of the Division of State Police, such date shall be deemed to be March 13, 1963. At the expiration of their terms of office, the Commissioner of Economic Security shall be succeeded by the Attorney General, the Commissioner of Finance by one of the members elected by the membership of the Kentucky Employes Retirement System, and the Director of the Division of State Police by the member elected by the membership of the State Police Retirement System. The term which expired on March 31, 1961, shall be filled by election of the membership of the County Employes Retirement System, and the second member selected by the membership of Kentucky Employes Retirement System shall fill the term expiring March 31, 1962. The three terms expiring on March 31, 1963, and March 31, 1964, shall be filled by appointment by the Governor.

(3) The members selected by the membership of each of the various Retirement Systems shall be elected by ballot in accordance with regulations established by the Board of Trustees. Except in the case of vacancies already existing on the effective date of this Act, no regular election shall be held less than one month or more than four months before the term to be filled is due to expire. Special elections shall be held to fill vacancies in accordance with regulations established by the Board. For each Board member to be elected, in any regular or special election, the Board shall nominate and place on the ballot the names of at least three Constitutionally eligible individuals. Other nominees may be placed on the ballot by petition of no less than one-fifth of the eligible voters. Provision shall also be made for write-in votes. The individual receiving a plurality of votes shall be declared elected. The Executive Secretary shall conduct the elections under the terms of the regulations established, and three discreet persons shall be appointed by him to count the ballots and tabulate the votes. Costs of an election shall be payable from the funds of the system for which the member is elected.

(4) Any vacancy which may occur, shall be filled in the same manner provided for the selection of the particular member for a full term. Vacancies shall be filled for the unexpired term only.

(5) Membership on the Board of Trustees shall not be incompatible with any other office unless a Constitutional incompatibility exists, and no member shall be subject to removal from office except upon conviction of a felony, or of a misdemeanor involving moral turpitude.

[On the first day of the month following March 25, 1960, the terms of the members of the Board of Trustees then in office shall cease and terminate. Thereafter the system shall be administered by a Board of Trustees consisting of the Commissioners of Finance, Economic Security and Personnel, and the Director of the Division of State Police, and five citizens appointed by the Governor, at least one of whom shall have been at one time a county officer or employe. The terms of the citizen members shall be four years, and they may be removed only for good cause shown and entered upon the Executive Order Book; provided, however, that the terms of the members initially appointed under this section shall be one for one year, one for two years, one for three years, and two for four years; and provided further that the initial appointments made under this section shall include one person who shall have been a member of the Board of Trustees of the Kentucky Employes Retirement System prior to its reorganization under this section, and one person who shall have been a member of the Board of Trustees of the County Employes Retirement System prior to its reorganization under this section.]

(6) [(2)] Board members who do not otherwise receive a salary from the State Treasury shall receive a per diem of $25 for each day they are in session or on official duty, and they shall be reimbursed for their actual and necessary expenses in accordance with normal state regulations and standards.

(7) [(3)] The board shall meet at least once in each quarter of the year, and may meet in special session upon the call of the chairman. It shall elect a chairman and a vice-chairman. A majority of the members shall constitute a quorum, and all actions taken by the board shall be by affirmative vote of a majority of the *members present* [entire board].

(8) [(4)] The Board shall:

(a) Appoint *or contract for the services of* an executive secretary, *and fix his compensation, subject to the approval of the Commissioner of Personnel, without limitation by the provisions of Chapter 18 and Section 64.640 of the Kentucky Revised Statutes. The executive secretary shall be the chief administrative officer of the Board* [who shall be the secretary and the administrative officer of the board];

(b) Appoint such other employes as it deems necessary and fix the compensation for all employes of the board, *subject to the approval of the Commissioner of Personnel;*

(c) Require such employes as it thinks proper to execute bonds for the faithful performance of their duties;

(d) Establish a system of accounting;

(e) Do all things, take all actions and make all rules and regulations, not inconsistent with the provisions of KRS 61.510 to 61.700, that it deems necessary or proper in order to carry out the provisions of KRS 61.510 to 61.700 [; provided that the Governor, by executive order, for administrative convenience and economy may transfer the administrative functions of the board to any departments or agencies of state government].

(9) [(5)] All employes of said board shall serve during its will and pleasure.

(10) [(6)] The Attorney General, or an assistant designated by him, shall act as legal adviser and attorney for the board.

(11) [(7)] The board shall prepare and publish an annual financial report showing all receipts, disbursements, assets and liabilities. All its proceedings and records shall be open for inspection by the public.

(12) [(8)] All expenses incurred by or on behalf of the board in the administration of the system during a fiscal year shall be paid from the retirement allowance account. The expenses incurred by the board in the administration of the system during any fiscal year shall not exceed $10,000, or two percent of the total employer and member contributions during such fiscal year, whichever is the larger.

Section 20. Section 61.650 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board shall be the trustee of the several funds created by KRS 61.510 to 61.700 and shall have full power to invest and reinvest such funds, subject to the limitations that no investments shall be made except upon the exercise of bona fide discretion, in securities which, at the time of making the investment, are, by law, permitted for the investment of funds by fiduciaries in this state. Subject to such limitations, the board shall have full power to hold, purchase, sell, assign, transfer or dispose of, any of the securities or investments in which any of the funds created herein have been invested, as well as of the proceeds of such investments and any monies belonging to such funds.

(2) It is declared to be the policy of the Commonwealth to promote the mutual investment of the funds of the [three] retirement system [to be] *administered by the* [under this] Board of Trustees *established under KRS 61.645, and such other public retirement systems as may wish to cooperate,* and also, where practicable, to encourage the retention of capital funds within this state and region. In furtherance of this policy the Board of Trustees is empowered to *incorporate or otherwise* establish, either with or without the cooperation of other public retirement systems, such *an organization, or* organizations (corporate, trust, or otherwise) as may be desirable to

secure the mutual investment of the funds of the [three] systems under its control, and such other public systems as may wish to join, and to promote the policies herein described. *Such corporation or other organization shall be deemed a governmental agency, organized for a governmental purpose and not for private profit, and its articles of incorporation, trust indenture or other controlling document shall provide that it shall function under the control of its board of directors or trustees for the purposes and under the limitations established by this statute and by the aforesaid articles of incorporation, trust indenture, or other controlling document. Such board of directors or trustees shall be elected not more frequently than once yearly by the votes of the chief administrative officers of the retirement systems which are members of the organization, casting their ballots in accordance with the directives of their respective boards of trustees, and each system shall have a vote or votes in proportion to its investment. Members of the boards of trustees of the investing systems shall be eligible to serve on the board of directors or trustees of the corporation or trust organization formed hereunder, and at least one-half of those so selected shall be members of the board of the system which they represent.*

Section 21. Section 61.660 of the Kentucky Revised Statutes is amended to read as follows:

The State Treasurer shall be the custodian of the fund created by KRS 61.510 to 61.700 and he shall be responsible on an official surety bond for all cash and securities in his custody. All registered securities in the fund created by KRS 61.510 to 61.700 shall be registered in the name of "Kentucky Employes Retirement System *of the Commonwealth of Kentucky*" and every change in registration, by reason of sale or assignment of such securities, shall be accomplished by the signature of the State Treasurer, and securities shall be delivered by him when directed so to do by resolution of the board. All payments from said fund shall be made by him on warrants issued upon orders signed by such person as is designated for the purpose by the board. A duly attested copy of a resolution of the board designating such person and bearing on its face the specimen signature of such person shall be filed with the Commissioner of Finance as his authority for issuing warrants upon such orders. No order shall be signed unless it has previously been authorized by the board, which authorization shall be recorded on the records of the board.

Section 22. Section 61.670 of the Kentucky Revised Statutes is amended to read as follows:

As soon as practicable after its organization, the board shall adopt such actuarial tables as are necessary for the administration of the system and for the annual determination of assets and liabilities of the system. *The board shall cause an actuarial valuation to be* *made annually and* at least once in each *ten-year* [five-year] period the board shall cause an actuarial investigation to be made of all the experience under the retirement system. Pursuant to such investigation the board shall, from time to time, revise the actuarial tables previously adopted by the board and shall thereupon revise the bases of the rates of contributions required under KRS 61.510 to 61.700. All such investigations and *valuations* [evaluations] must be certified to the board by a Fellow of the Society of Actuaries.

Committee on Ky. Statutes #1 reported **HB 103, HB 130, HB 131, HB 132, HB 133, HB 134, HB 137, HB 135, HB 138, HB 141, HB 146, SB 128, SB 129, SB 130, SB 131, SB 132, SB 133, SB 134, SB 135, SB 136, SB 137, SB 139, SB 140, SB 142, SB 146, SB 153, SR 26** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 103, AN ACT relating to the State Police Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 16.585 of the Kentucky Revised Statutes is amended to read as follows:

A member shall terminate employment on his normal retirement date. Upon such retirement, the member shall receive a monthly normal retirement allowance payable for life equal to one and *three-fourths* [one-half] percent of final compensation for each year of service. The amount paid each month by the system will be reduced beginning with the first payment following the sixty-fifth birthday by *seventy* [eighty-five] percent of the monthly primary insurance amount under Social Security determined on the assumption that said member would be eligible to receive the maximum primary insurance amount determined under the Social Security law in force at the time of his normal retirement. However, in lieu of any benefit to commence on his normal retirement date, the member may elect to receive a delayed allowance as provided in KRS 16.595.

Section 2. Section 16.620 of the Kentucky Revised Statutes is amended to read as follows:

In event of partial or total and permanent disability not a direct result of performing an act or doing anything required in the performance of duties, the member shall be eligible to receive a lump sum payment equal to his accumulated contributions determined on the date of cessation of membership. However, if such disability occurs after ten years of service and is total and permanent, the member may elect to retire after his last day of service and to receive an annual retirement allowance payable monthly for life computed as the product of (a) and (b) as follows:

(a) *One* [One-half] percent of the first *$4,800* [$1,320] of final compensation [, plus one percent of the next $2,880 of final compensation,] plus one and one-fourth percent of any excess over *$4,800* [$4,200] of final compensation.

(b) Length of service;

except that the annual allowance otherwise payable shall not be less than $480.

HB 130, AN ACT relating to the execution of bonds by the Commonwealth.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Unless otherwise expressly provided by law, no bond, obligation or security shall be required of the Commonwealth or any of its agencies or officers acting for or in behalf of the Commonwealth in order to prosecute any remedy in the courts of this state.

HB 131, AN ACT relating to the Department of Education; recognizing that the State Board of Education is an educational agency and instrumentality of the Commonwealth; amending KRS 156.010 and 156.070 to confer upon said Board certain powers concerning Area Vocational Schools and concerning television in aid of education and other proper functions; and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 156.010 is amended to read:

(1) The Department of Education shall consist of the State Board of Education and the Superintendent of Public Instruction, who shall be the head of the department.

(2) The Department of Education shall exercise all the administrative functions of the state in relation to the management and control of the public common schools, of vocational education and rehabilitation of West Kentucky Vocational School, the Kentucky School for the Blind, and *the Kentucky School for the Deaf, and may exercise certain powers and functions relating to Area Vocation Schools, and relating to television in aid of education and other proper public functions, as provided in KRS 156.070, as amended.*

(3) *The Kentucky School for the Deaf Advisory Board* and the State Textbook Commission are included in the Department of Education and constitute divisions thereof, but each shall continue to exercise all the functions conferred upon it by law.

Section 2. A new Section of KRS is hereby enacted, the same to be designated *KRS 156.035*, and to read:

The Kentucky State Board of Education is recognized to be a public body corporate and politic, and an agency and instrumentality of the Commonwealth in the performance of essential governmental functions.

Section 3. KRS 156.070 concerning the general powers and duties of the State Board of Education is hereby amended to read:

(1) The State Board of Education shall have the management and control of the common schools, public vocational education and vocational rehabilitation, West Kentucky Vocational School, and the Kentucky School for the Blind.

(2) *It is hereby authorized to purchase, lease, rent, or erect one or more buildings in the following cities or counties: Ashland, Harlan County, Hazard, Jefferson County, Madisonville, Somerset, and Warren County, in order to establish and provide for the operation of schools for the purpose of making available facilities for vocational training, according to curricula established and approved by the Board, and to be operated in accordance with the State Plan for Vocational Education and policies of the Board. The management and operation of these schools, including all duties, powers, rights, purposes, responsibilities, properties and funds, are vested in the Board. In addition to such appropriations of State funds as may be made to the Board for such schools, the Board may receive therefor grants, contributions, matching funds, gifts, devises and bequests from any source, whether federal or state, public or private.*

(3) (a) *It is hereby authorized to lease from the State Property and Buildings Commission, or others, whether public or private, any lands, buildings, structures, installations and facilities suitable for use in establishing and furthering television as an aid or supplement to classroom instruction, throughout the Commonwealth, and for incidental use in any other proper public functions. Any such lease may be for any initial term commencing with the date of such lease and ending with the next ensuing June 30 which is the close of the then current fiscal biennium of the Commonwealth with exclusive options in favor of the Board to renew the same for successive ensuing bienniums (July 1 in each even year to June 30 in the next ensuing even year); and the rentals may be fixed at such sums in each biennium, if renewed, as will be sufficient to enable the State Property and Buildings Commission to pay therefrom the maturing principal of and interest on (and provide reserves for) any revenue bonds which said State Property and Buildings Commission may determine to be necessary and sufficient, in agreement with the Board, to provide the*

cost of acquiring such television facilities, with appurtenances and such costs as may be incident to the issuance of such bonds.

(b) *That each such option of the State Board of Education to renew the lease for succeeding biennial term may be exercised at any time after the adjournment of the session of the General Assembly at which appropriations shall have been made for the operation of the state government for such succeeding biennial term, by notifying the State Property and Buildings Commission in writing, signed by the Superintendent of Public Instruction, and delivered to the Commissioner of Finance as a member of said Commission; provided, however, that such option shall be deemed automatically exercised, and the lease automatically renewed for the succeeding biennium, effective on the first day thereof, unless a written notice of the Board's election not to renew shall have been delivered in the office of the Commissioner of Finance before the close of business on the last working day in April immediately preceding the beginning of such succeeding biennium.*

(c) *The Board shall not itself operate such leased television facilities, or undertake the preparation of the educational presentations or films to be transmitted thereby, but may enter into one or more contracts to provide therefor, with any public agency and instrumentality of the Commonwealth having, or able to provide, a staff with proper technical qualifications, upon which agency and instrumentality the Board, through the Superintendent of Public Instruction and the Department of Education, is represented in such manner as to coordinate matters of curriculum with the curricula prescribed for the public schools of the Commonwealth. Any such contract for the operation of the leased television facilities may permit limited and special uses of the television facilities for other programs in the public interest, subject to such reasonable terms and conditions as the Board and the operating agency and instrumentality may agree upon; but any such contract shall affirmatively forbid the use of the television facilities, at any time or in any manner, in the dissemination of political propaganda or in furtherance of the interest of any political party or candidate for public office, or for commercial advertising. No lease between the Board and the State Property and Buildings Commission shall bind the Board to pay rentals for more than one fiscal biennium at a time, subject to the aforesaid renewal options. The Board may receive and may apply to rental payments under any such lease and to the cost of providing for the operation of such television facilities not only appropriations which may be made to it from State funds, from time to time, but also contributions, gifts, matching funds, devises and bequests from any source, whether federal or state, and whether public or private, so long as the same are not conditioned upon any improper use of the television facilities in a manner inconsistent with the provisions hereof.*

[2] *(4)* The State Board of Education may, on the recommendation and with the advise of the Superintendent of Public Instruction, prescribe, print, publish and distribute at public expense such rules, regulations, courses of study, curriculums, bulletins, programs, outlines, reports and placards as it deems necessary for the efficient management, control and operation of the schools under its jurisdiction. All rules and regulations published or distributed by the board shall be enclosed in a booklet or binder on which the words "Informational Copy" shall be clearly stamped or printed.

[4] *(5)* In its capacity as a board of control for the West Kentucky School, the board may receive, by any legal mode of conveyance, and hold and enjoy, property of any description.

Section 4. Whereas unusual conditions of unemployment in certain sections of the State necessitate the training and retraining of youth in those sections in order to make a livelihood available for such young people coming into the labor market, and this Act will promote such training and retraining, an emergency is declared to exist, and this Act will become effective upon its passage by the General Assembly and approval by the Governor.

HB 132, AN ACT relating to the State Property and Buildings Commission, amending KRS 56.440, KRS 56.450, KRS 56.520, and KRS 56.550, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 56.440 is hereby amended to read: As used in KRS Chapter 56, unless the context otherwise requires:

(1) "Commission" means the State Property and Buildings Commission.

(2) "Real estate" includes lands together with improvements thereon and appurtenances thereto.

(3) "Building" includes any structure or improvement upon real estate of a permanent nature; *and additionally includes any sites, structures, equipment, machinery or devices for the purpose of establishing, developing or furthering television in aid of education or in aid of any other proper public functions, whether or not the same would otherwise be legally defined as buildings.*

(4) "Building project" includes the construction, reconstruction and structural maintenance of buildings, the installation of utility services, including roads and sewers, and the purchase and installation of equipment, facilities and furnishings of a permanent nature for buildings, *and for television purposes as referred to in sub-section (3) hereof.*

(5) "State agency" means any state officer, department, board, commission, institution, division or independent agency as defined in Chapter 12 of the Kentucky Revised Statutes.

(6) "Department" means the Department of Finance.

Section 2. KRS 56.450 is hereby amended to read:

(1) There is recognized, as an independent agency of the state within the meaning of Chapter 12 of the Kentucky Revised Statutes, a State Property and Buildings Commission composed of the Governor, who shall be chairman thereof, the Lieutenant Governor, the Attorney General, the Commissioner of Finance and the Commissioner of Revenue, *or their alternates as hereinafter authorized and permitted.*

(2) No member of the commission shall receive any salary, fee or other remuneration for his services as a member of the commission but each member shall be entitled to be reimbursed for his ordinary traveling expenses, including meals and lodging, incurred in the performance of his duties.

(3) The commission constitutes a public body corporate with perpetual succession and power in its name to contract and be contracted with, sue and be sued, adopt bylaws, have and use a corporate seal, and exercise all of the powers granted to private corporations generally in the Kentucky Revised Statutes, Chapter 271, except as the same may be inconsistent with KRS 56.440 to 56.550.

(4) *Subject to the provisions of Section 4 of this Act, but* notwithstanding any other provision of the Kentucky Revised Statutes to the contrary, all revenue bonds issued by state agencies except those bonds issued by the State Colleges, the University, or *The Turnpike Authority of Kentucky,* shall be issued under the provisions of Chapter 56 of the Kentucky Revised Statutes *provided further that as an additional and alternative method for the issuance of revenue bonds under the provisions of this Chapter 56 of Kentucky Revised Statutes, upon application of any State agency and approval by the Commission, the Commission acting for and on behalf of said state agency may issue revenue bonds in its own name in accordance with the terms and provisions of Chapter 58 of Kentucky Revised Statutes secured by and payable solely from all or any part of the revenues of said state agency as may be specified and provided in such approved application, and any covenants and undertakings of said state agency in such approved application with regard to the production of such revenues and the use, application or disposition thereof may be enforced by the holders of any such revenue bonds or by any Trustee for such bondholders.*

(5) (a) *Each member of the Commission is hereby authorized*

and empowered to designate by an instrument in writing over his signature and filed with the Secretary as a public record of the Commission, an Alternate with full authority to attend in the absence of the appointing Member for any reason, any properly convened meeting of the Commission and to participate in the consideration of, and voting upon, business and transactions of the Commission. Any such designation of an Alternate may, in the discretion of the appointing Member, be limited upon the face of the appointing instrument, to be effective only for a designated meeting or only for specified business; or the same may be shown on the face of the appointing instrument to be on a continuing basis, whenever the appointing Member is unable to attend, but always subject to revocation by the appointing Member in an instrument of like formality, similarly filed with the Secretary as a public record of the Commission. Any party transacting business with the Commission, or materially affected thereby, shall be entitled to accept and rely upon a joint certificate of the Secretary of the Commission and any Member of the Commission concerning the designation of any Alternate, the time of designation, the scope thereof, and if of a continuing nature whether the same has been revoked, and when; and such joint certificate shall be made and delivered, to any such party within a reasonable time after written request is made therefor with acceptable identification of the business or transaction referred, and of the requesting party's interest therein. Each Alternate shall be a person on the staff of the appointing Member, or in the employ of his agency or department of the Government of the Commonwealth, as the case may be.

(b) *Any three members of the Commission shall constitute a quorum and shall by majority vote be authorized to transact any and all business of the Commission. One alternate may be substituted for a member in order to establish a quorum provided that no business is transacted beyond the scope of authority of such alternate.*

Section 3. KRS 56.520 is hereby amended to read:

(1) The commission is authorized and empowered to issue and sell revenue or other authorized bonds, in carrying out the provisions of this chapter, in such denominations and in such amount or amounts, as may be deemed to be for the best interest of the Commonwealth, for any of the following purposes:

(a) To acquire real estate;

(b) To pay all or any part of the expense or cost of or incidental to a building project;

(c) To defray the cost of plans, specifications, blue prints, architectural fees and other expenses authorized to be incurred under the terms of KRS Chapter 56.

(2) Any revenue bonds so issued shall bear interest at a rate not exceeding five percent per annum, payable semi-annually, and shall become due and payable not more than forty years from the date of issuance. The payment of the bonds, together with the interest thereon, may be secured by a pledge and a first lien on all of the receipts and revenue derived, or to be derived, from the rental or operation of the property involved. Neither the payment of any bond, nor the interest thereon, issued under the authority of KRS Chapter 56, shall constitute an indebtedness of the Commonwealth of Kentucky, nor shall any bond or interest thereon be payable out of any fund except such funds as may be derived from rentals or other revenues derived from the operation of the properties or from such revenues as may have been, or may be, available for such purpose, or purposes, by law.

(3) All bonds which may be issued by the Commission under the provisions of KRS Chapter 56, shall be sold as provided in KRS 42.070 [after having been duly advertised in a newspaper of general circulation in the Commonwealth during three consecutive weeks and in such other advertising as the department may prescribe if it finds additional advertising is necessary] *and after newspaper advertising conforming to the requirements of KRS Chapter 424.*

(4) All competitive bids for the sale of such revenue bonds shall be opened and read publicly by the Commissioner of Finance or his representative at a designated place, day and hour, all of which shall be announced in the advertising made relative thereto.

(5) In the event the commission issues and sells bonds for a building project as authorized by KRS Chapter 56, insurance, including fire and windstorm, casualty, catastrophe, use and occupancy and such other insurance as the commission may deem advisable, shall be carried in connection with the building project, and it may so obligate and bind itself in a trust indenture securing the payment of such bonds. Any such insurance shall be paid for out of funds available for the project.

(6) All money from the sale of bonds shall be deposited in the State Treasury and shall be credited to a special account to be designated as directed by the department, and no part thereof shall be withdrawn from the State Treasury, except for the purposes authorized by KRS Chapter 56, together with the cost incidental to the issuing and selling of such bonds and other expenses directly related thereto. The commission may provide in any trust indenture securing bonds for additional terms and conditions thereof, or for other restrictions not in conflict with KRS Chapter 56.

Section 4. KRS 56.550 is hereby amended to read:

(1) Nothing in KRS 56.440 to 56.540 shall be construed to apply

to the construction of roads or bridges or the acquisition of rights of way or real estate in connection therewith now under the jurisdiction of the Department of Highways *or The Turnpike Authority of Kentucky,* or for any other expenditure made from the State Road Fund, *or by said Turnpike Authority.*

(2) Nothing in KRS 56.440 to 56.540 shall be construed to apply to school districts, or to affect the rights, powers and duties of the governing authorities of such districts; *provided, however, that the acquisition of sites, and the acquisition, purchase, construction, leasing and operation of television facilities as an aid to education or as an aid to any other proper public function, shall be deemed to be matters of statewide jurisdiction and interest, and any or all of such activities on the part of the Commission shall not be deemed to constitute encroachment upon the authority of any school district.*

Section 5. Inasmuch as the clarification of the sections of the Kentucky Revised Statutes amended herein is immediately necessary in order to promote the development of television in aid of education, an emergency is declared to exist, and this Act shall become effective immediately upon its passage and approval by the Governor.

HB 133, AN ACT relating to television in aid of education and other proper public functions; providing for the orderly and continuing management, control and operation thereof in the public interest by creating for that purpose a corporate agency and instrumentality of the Commonwealth; prescribing its membership, organization, functions and powers; and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is declared to be the legislative purpose of this Act, and the public policy of the Commonwealth, that there be established, developed and utilized in the public interest a network of educational television production facilities and transmission and relay stations such as will ultimately make available to students in public schools and state-supported institutions of higher education in the Commonwealth, and to any others who may choose to utilize the same, television programs in aid of education, and for incidental use in other proper functions; and that the same be managed, controlled and operated in the public interest by an independent corporate agency and instrumentality of the Commonwealth having membership such as to be representative of the general public as well as public educational bodies at all levels.

Section 2. An independent agency and instrumentality of the Commonwealth is hereby created and established to be known as "The Kentucky Authority for Educational Television," the same being a public body corporate and politic, with perpetual succession, the power in its own name to contract and be contracted with, sue and be sued, to adopt and use a corporate seal, to adopt by-laws for the orderly conduct of its affairs, and to alter the same from time to time, to prescribe and enforce regulations governing the use of educational television and television facilities, and generally to have and use all powers of private corporations as set forth in KRS Chapter 271, except as the same may be inconsistent with the provisions of this Act.

Section 3. As used in this Act, the following words and terms have the following meanings (unless in any instance the context shall clearly indicate another meaning, in which event the context shall be controlling):

(1) "Authority" means the Kentucky Authority for Educational Television;

(2) "Board" means the State Board of Education;

(3) "Department" means the State Department of Education;

(4) "public schools" means the State-supported school of the elementary and secondary levels, as defined in KRS 157.320;

(5) "Commission" means the State Property and Buildings Commission of Kentucky;

(6) "Council" means the Council on Public Higher Education in Kentucky;

(7) "University" means the University of Kentucky as one entity, including its present and future extensions;

(8) "State Colleges" means and includes Eastern Kentucky State College, Kentucky State College, Morehead State College, Murray State College, and Western Kentucky State College; but does not include any present or future state supported junior colleges, unless by statute the same are given representation on the Council;

(9) "educational television" means and includes the production of television programs, the filming or taping thereof, the purchase or lease of filmed or taped programs produced by others, and the transmission or relaying of them for utilization (a) in aid of education in the public schools, and (b) for limited and incidental use in furtherance of other proper public functions;

(10) "television facilities" means and includes sites, buildings, structures, machinery, equipment and installations, each with necessary or appropriate appurtenances, used or useful in the furtherance of educational television.

Section 4. The Authority shall consist of nine members, as follows:

The Superintendent of Public Instruction, ex officio, who shall initially serve as temporary Chairman and shall call and preside over the organizational meeting or meetings until such time as the members of the Authority shall elect a Chairman from among their number; a member of the staff or personnel of the Department elected by the Board upon recommendation of the Superintendent of Public Instruction as being qualified to serve as liaison and coordinator between the Authority and the Department on matters of curriculum, and his terms shall be the same as that of the Superintendent of Public Instruction by whom he is recommended, but terminable by the Board in the event he is transferred to other duties in the Department, and automatically terminated in the event of his severance from the Department for any reason; a representative of the University of Kentucky and a representative of the State Colleges who are members of the Council, to be elected by the Council; two members qualified by education or working experience in the technical and engineering aspects of educational television and television facilities, to be appointed by the Governor; three additional members appointed by the Governor who need possess no special or prescribed qualifications except that they shall be citizens of Kentucky.

The terms of the members other than the Superintendent of Public Instruction and the member appointed from the staff or personnel of the Department shall be originally, two members for a term of four years; two members for a term of three years; two members for a term of two years; and one member for a term of one year, to be determined by lot at the first meeting, thereafter the terms shall be for four years.

In addition to vacancies from death or resignation, vacancies shall occur upon removal of permanent residence from the Commonwealth; in the case of the elected member representing the Department and the Board, by change of assignment or by serverance from relationship with the Department or the Board for any reason; and, in the cases of the members representing the University and the State Colleges, by termination of the member's membership on the Council for any reason. Vacancies during the term of any member shall be filled for the unexpired portion of the term only; and vacancies of elected or appointed members by reason of the expiration of the term shall be for terms of four years each, in the same manner as the initial election or appointment, as the case may be. Elected or appointed members shall be eligible for re-election or reappointment for any number of terms, as long as the prescribed qualifications prevail.

Section 5. The Authority shall meet not less frequently than quarterly, and otherwise as often as necessary for the orderly conduct of its affairs. If it sees fit to do so, it may establish in its by-laws, or by resolution, four or more fixed dates for regular meetings at one or more specified places, in which event any proper business may come before the Authority on such occasions, and it shall not be necessary that the members be given notice thereof unless the Chairman shall deem it necessary or desirable that the day, place or hour be changed, whereupon notice to such effect shall be mailed to each member by the Chairman or Secretary, by ordinary first class mail, postage prepaid, not less than one week in advance. Regular meetings may be adjourned to convene again at another time and place, if the facts are shown in a motion or resolution adopted by a majority of those present and entered upon the minutes; and if such be done, the adjourned session shall constitute a continuation of the regular session without notice to absent members; but the motion or resolution of adjournment may specify that every reasonable effort be made to give such notice to absent members as time and circumstances may permit, whereupon the Secretary (or in his absence the Chairman or any designated member) shall make such effort and report the same and the success or failure thereof as to each member, at the occasion of the adjourned session of the regular meeting. Special meetings may be called by the Chairman, Vice-chairman, Secretary, or any two members upon notice of the time, place and business to be transacted, similarly given; and special meetings may be adjourned in like manner as in the case of regular meetings, except that the matters considered shall be limited to such as are set forth in the notice of the special meeting.

Any member may waive notice orally or in writing at any time before, at or after any meeting; and the presence of a member at any meeting shall constitute a waiver of notice unless such member tenders at such meeting a written protest on the ground of want of sufficient notice.

Five or more members shall constitute a quorum for the transaction of business at any meeting, and a majority vote thereof shall be sufficient to transact any business properly before the meeting. Any lesser number may adjourn to reconvene at another time for failure to muster a quorum.

Immediately upon receiving notice of the election or appointment of all other members, the Superintendent of Public Instruction shall call a meeting for organizational purposes, the same to be held at Frankfort, Kentucky, at a time and place set forth in a written notice mailed to each member, as set forth above. At such meeting the Superintendent shall preside as temporary Chairman, and the Authority shall elect from among the members a Chairman, a Vice-chairman, a Secretary and a Treasurer, and define the duties thereof; or it may combine the offices of Secretary and Treasurer.

At such organizational meeting, or at any subsequent meeting, the Authority may elect an Executive Committee, not less than three in number, of which the Chairman or Vice-chairman of the Authority shall be a member and the presiding officer. The powers of the Executive Committee to transact business between meeting of the Authority shall be defined, and may be limited, but it shall not be provided that actions of the Executive Committee within its defined powers and limitations are subject to review, or not final and binding as actions of the Authority. The Executive Committee shall preserve minutes of its proceedings, and file a written copy thereof with the Secretary at or before the next ensuing regular meeting of the Authority.

Section 6. Subject only to availability of funds from any source, the Authority may employ and prescribe the qualifications and duties of such persons as it may deem necessary to the proper performance of its purposes and functions; including an Executive Director to serve as the principal executive of the Authority, and a Chief Engineer to supervise its engineering staff. Compensation shall be such as may be fixed in accordance with the standards established by the State Commissioner of Personnel.

Section 7. Members of the Authority who are otherwise compensated by the Commonwealth on a full-time basis shall receive no additional compensation as members of the Authority, or for attendance at meetings. Members who are not otherwise compensated by the Commonwealth on a full-time basis shall receive a per diem of $10.00 for attendance at each meeting, including reasonable travel time necessarily required.

All members may be reimbursed for actual travel and other proper expenses according to reasonable rules and regulations of the Authority. The scope of travel shall not be limited to the confines of the Commonwealth; but may extend to any place outside the Commonwealth if specifically authorized by the Authority by motion, resolution or directive reciting the occasion, necessity, and persons authorized to travel.

Section 8. The Authority shall have no power of taxation, nor is it vested with the police power of the Commonwealth, except insofar as the execrise of the power of eminent domain may be deemed a part thereof. Otherwise, in general terms, it shall have and is hereby given all such constitutional powers as are necessary to its accomplishment of the purpose and implementation of the public policy set forth in Section 1 of this Act.

Without limiting the generality of the foregoing, but only for assurance to parties from time to time transacting business with the Authority, and who may demand and be entitled to assurance, the following specific powers are hereby vested in the Authority:

(1) To receive and use in the furtherance of its lawful objectives such State funds as may be appropriated or allotted to it from time to time, any funds received for services rendered under contract or from the sale of property owned by it, and contributions, matching funds, gifts, bequests and devises from any source, whether state or federal, and whether public or private; unless the same be tendered subject to one or more conditions which are inconsistent with this Act, or otherwise unlawful;

(2) To make contracts and agreements whereunder the Authority may undertake to provide educational television or television facilities to or for any public body of the State or Federal Governments in furtherance of educational television or in aid of any other proper public function; provided, however, it shall be an express provision of every such contract that the Authority will not undertake to transmit or relay, and will not permit any other party to transmit or relay, in the use of the Authority's television facilities, any subversive matter any political propaganda, or any image or message in the interest of any political party or candidate for public office; or be used by, or in aid of, any church, sectarian or denominational school; but this proviso is not intended and shall not be construed to be a limitation upon dissemination by the Authority of legitimate objective instructional material which is properly related to the study of history or of current events, or which is no more than factually informative, of current issues of government or of various political ideologies;

(3) To produce, prepare, transmit and relay, either from life or by recording on tape or films, educational television programs not inconsistent with the curricula prescribed or approved for the public schools of the Commonwealth by the Department or the Board;

(4) To purchase or lease from others, or to contract with others for the use of, or the right to transmit or relay similar educational television programs, whenever in the opinion of the Authority the same are suitable and cannot be produced as effectively or economically through the use of its own facilities;

(5) To purchase, lease, or otherwise acquire, and to operate, television facilities deemed by the Authority to be necessary in the furtherance of its lawful objectives; and in this connection to acquire property by the exercise of the power of eminent domain, in the manner authorized for the Highway Department by KRS 177.081 to 177.089, inclusive, whenever the same cannot be purchased, leased, or otherwise acquired at a reasonable price after reasonable negotia-

tions with the owner or owners. In all such matters, the Authority shall be subject to the provisions of KRS Chapter 56 with regard to approvals and authorizations by the Department of Finance and the Commission;

(6) To prescribe standards for receiving instruments which are purchased in the future for use in the public schools, in order that reception of educational television programs may be acceptable and in conformity with the manner of transmission thereof; and to disseminate such standards together with technical information with regard to installations and use of receiving instruments to all of the public school districts, or to such as may request the same;

(7) In its discretion and within the limitation of availability of funds from any sources, to (a) establish a program of matching funds as an inducement to public school districts to purchase and install proper facilities for receiving and utilizing educational television programs, especially in situations where by reason of topographical difficulties of reception, special antennas or other equipment may be required, and/or (b) if so requested by the boards of education of a sufficient number of public school districts, to purchase receiving instruments on their behalf on a wholsesale basis for the purposes of economy, any such purchases to be on a public competitive basis after due advertisement according to law, but restricted to such receiving instruments as meet the standards prescribed by the Authority.

Section 9. Because of the urgent and pressing need to improve the condition of public education within the Commonwealth of Kentucky, an emergency is hereby declared to exist, and this Act shall become effective immediately upon its passage and approval by the Governor.

HB 134, AN ACT providing for the suitability of a home for children in the Aid to Dependent Children Program.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 205 of the Kentucky Revised Statutes is created to read as follows:

The basic objective of the aid to dependent children program is to maintain needy children in their own homes and to assist parents to provide care for their children essential to healthy growth and development. Home environments that are contrary to the best interest of children are incompatible with this objective. Therefore, the purpose of this Act is to establish a plan for improving the living conditions of a child receiving aid to dependent children; and, in order to carry out the purpose, the state and local governmental authorities shall combine their efforts and resources in providing a home conducive to the well being of such a child. This Act shall be known as the "Suitable Home Law of 1962."

Section 2. A new section of Chapter 205 of the Kentucky Revised Statutes is created to read as follows:

The department shall evaluate the suitability of the home in which the dependent child lives at the time of the initial determination and thereafter when needed. In evaluating the home, consideration should be given but not limited to the following:

(1) Evaluating the suitability of a home in terms of the past and present moral environment, physical care, and supervision provided in the home, the social, educational, and religious opportunities provided for the child, and the use of income or public assistance grant toward the needs of the child;

(2) Making a decision relative to whether the desirable factors outweigh the undesirable factors, and the apparent capacity and desire of the person with whom the needy child lives to improve the home.

Section 3. A new section of Chapter 205 of the Kentucky Revised Statutes is created to read as follows:

If the home is unsuitable according to the evaluation made under Section 2 of this Act but there is reason to believe that elimination of the undesirable conditions can be effected, the department will take the following action:

(1) Give intensive case work service to improve the undesirable conditions in the home.

(2) When intensive efforts over a reasonable period have failed to improve the home conditions, the department shall determine if any other relative or person specified by the Social Security Act is maintaining a suitable home and is willing to take custody and care for the child in their home. Upon an affirmative finding, the department shall, if the parents or relative with whom the child is living consent, assist the parent or relative in effecting the placement.

(3) If there are no suitable relatives or other specified persons available for the care of the child in their home, or if the relative with whom the child lives refuses to agree to either improving the home condition or to permit the voluntary removal of the child from the home, the department shall file a petition for court action with the appropriate county court. The department shall give in writing the reason for the petition and request a determination from the court within a thirty day period.

Section 4. A new section of Chapter 205 of the Kentucky Revised Statutes is created to read as follows:

When a petition has been filed in the court with evidence of an unsuitable home, the judge shall hold a hearing and shall by order:

(1) Request additional evidence from the department or any other agency interested in the welfare of children and on the basis of such evidence remove the child from the home or dismiss the petition; or

(2) Commit the child to the Department of Child Welfare as provided in KRS 200.110; or

(3) Appoint a Special Committee, notwithstanding KRS 387.281, to supervise the expenditure of public assistance funds if this is a particular family problem in the unsuitable home situation.

Section 5. A new section of Chapter 205 of the Kentucky Revised Statutes is created to read as follows:

Assistance within the eligibility requirements of the aid to dependent children program shall not be denied to a needy child on the basis that the home conditions are unsuitable, while the child continues to reside in the home. Assistance will be continued during such time as efforts are being made either to improve the home conditions or to make arrangements for the child elsewhere.

HB 137, AN ACT relating to the administration of Public Assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 205.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 205.160 to 205.320, unless the context requires otherwise:

(1) "Department" means the Department of Economic Security;

(2) "Commissioner" means the Commissioner of Economic Security or his authorized representatives;

(3) "Division" means the Division of Public Assistance in the Department of Economic Security;

(4) "Public Assistance" means money grants, assistance in kind or services to or for the benefit of needy aged, needy blind, needy permanently and totally disabled persons, needy children or *persons* [relative] with whom a needy child lives *or a family containing a combination of these categories;*

(5) "Needy child" means a child under the age of eighteen who has been deprived of parental support by *reasons prescribed by regulations within the scope of the Social Security Act, its amendments*

and federal regulations, [reason of the death, absence or incapacity of a parent, and who is unable to provide for himself] and who does not otherwise have provided for him a subsistence compatible with decency and health;

(6) "Parent," in addition to natural or adopted parents, shall include step-parent *and persons unrelated by marriage but maintaining an established family relationship;*

(7) "Needy aged" means a person who has attained the age of sixty-five and who is unable to provide for himself and who does not have otherwise provided for him a subsistence compatible with decency and health;

(8) "Needy blind" means a person who has no vision or whose vision is so defective as to prevent the performance of ordinary activities for which eyesight is essential and who is unable to provide for himself and who does not have otherwise provided for him a subsistence compatible with decency and health;

(9) *"Person* [Relative] with whom a needy child lives" means the individual, prescribed by regulation, with whom such child is living in a place of residence maintained by such individual by himself or together with one or more other persons;

(10) "Needy permanently and totally disabled" means a person eighteen years of age or older and who has a permanent physical or mental impairment, disease or loss that *substantially* precludes him from engaging in useful occupations within his competence and who is unable to provide for himself and who does not have otherwise provided for him a subsistence compatible with decency and health;

(11) "Private institution" means any establishment or place other than a public institution operated or maintained by any individual, association, corporation or other organization which provides a group living arrangement for four or more individuals, who are cared for and maintained in residence for compensation or otherwise;

(12) "Public institution" means any establishment or place which is the responsibility of and administered by the state or any political subdivision thereof providing a group living arrangement in which one or more individuals are cared for and maintained in residence;

(13) "Public medical institution" means any public institution the primary purpose of which is to furnish hospital care and medical treatment.

HB 135, AN ACT relating to the recovery and reporting of Public Assistance monies paid in error or obtained through fraud.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 205 of the Kentucky Revised Statutes is created to read as follows:

If the commissioner finds that public assistance payments have been made in error to any person, or if any person knowingly makes a false statement or misrepresentation of a material fact or knowingly fails to disclose a material fact to the Division of Public Assistance for the purpose of obtaining or increasing any initial or continuing public assistance payments, the commissioner may take the following actions:

(1) Withhold future public assistance payments until all overpayments are repaid or until assistance is reinstated through the appeal process set forth in KRS 205.230.

(2) Institute civil action in the circuit court to recover payments made in error or made as the result of fraud.

(3) Report all facts in the case to the county attorney for prosecution under KRS 205.990 if fraud is indicated.

HB 138, AN ACT relating to motor vehicles and revenue and taxation thereof.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.010 of the Kentucky Revised Statutes is amended to read as follows:

[(1) "Department," as used in KRS 186.015 to 186.270, means the Department of Revenue. As used in KRS 186.400 to 186.640, it means the Department of Public Safety.]

(1) "Department" as used in KRS 186.400 to 186.640 means the Department of Public Safety. Except as specifically designated, "Department" as used in KRS 186.020 to 186.270 means the Department of Revenue only with respect to motor vehicles, other than commercial vehicles. "Department" as used in KRS 186.020 to 186.270 means the Department of Motor Transportation when used with respect to commercial vehicles.

(2) "Highway" means every way or place of whatever nature when any part of it is open to the use of the public, as a matter of right, license or privilege, for the purpose of vehicular traffic.

(3) "Manufacturer" means any person engaged in manufacturing motor vehicles who will, under normal conditions during the year, manufacture or assemble at least ten new motor vehicles.

(4) "Motor vehicles," as used in KRS 186.020 to 186.260, includes all vehicles, as defined in paragraph (a) of subsection (7) of this section, which are propelled otherwise than by muscular power. As used in KRS 186.400 to 186.640, it means all vehicles, as defined in paragraph (b) of subsection (7) of this section, which are self-propelled.

(5) "Operator" means any person in actual control of a motor vehicle upon a highway.

(6) "Owner" means a person who holds the legal title of a vehicle. If a vehicle is the subject of an agreement for the conditional sale or lease, with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee, or if a mortgagor of a vehicle is entitled to possession, the conditional vendee or lessee or mortgagor shall be deemed the owner.

(7) (a) "Vehicle", as used in KRS 186.020 to 186.260, includes all agencies for the transportation of persons or property over or upon the public highways of this Commonwealth and all vehicles passing over or upon said highways, excepting road rollers, road graders, farm tractors, vehicles on which power shovels are mounted, such other construction equipment customarily used only on the site of construction and which is not practical for the transportation of persons or property upon the highways, such vehicles as travel exclusively upon rails, and such vehicles as are propelled by electric power obtained from overhead wires while being operated within any municipality or where said vehicles do not travel more than five miles beyond the city limit of any municipality.

(b) As used in KRS 186.400 to 186.640, "vehicle" means every device in, upon or by which any person or property is or may be transported or drawn upon a public highway, excepting devices moved by human and animal power or used exclusively upon stationary rails or tracks, or derives its power from overhead wires.

(8) KRS 186.020 to 186.270 apply to motor vehicle licenses. KRS 186.400 to 186.640 apply to operator's licenses.

(9) "Dealer" means any person engaging in the business of buying or selling motor vehicles.

(10) "Commercial Vehicles" means all motor vehicles that are required to be registered under the terms of KRS 186.050 and KRS 186.055, but not including vehicles primarily designed for carrying passengers and having provisions for not more than nine passengers (including driver), motorcycles, side car attachments, and motor vehicles registered under KRS 186.060.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

It is hereby declared to be the policy of this Commonwealth that all commercial vehicles should be regulated, registered and the laws pertaining thereto be administered by the Department of Motor Transportation. Motor vehicles other than commercial vehicles should be registered, regulated and controlled by the Department of Revenue and the Department of Public Safety. The Statute Reviser is hereby directed to change the designation in any of the statutes so that the proper department having control and jurisdiction over the different types of motor vehicles is properly identified.

The registration plates and receipts issued in accordance with the terms of Chapter 186 of the Kentucky Revised Statutes are on a calendar year basis, and since the above policy of the Commonwealth involves a change in a responsibility of the respective departments, and in order that the transition of responsibility will be as smooth as possible, the Department of Revenue will administer the provisions of KRS 186 during the balance of the calendar year 1962. All responsibility for the issuance of plates, receipts, regulations and administration of KRS 186 with regard to commercial vehicles shall be assumed by the Department of Motor Transportation with regard to the 1963 receipts, plates, regulations and administration of the provisions pertaining thereto. The Department of Motor Transportation shall have the authority to promulgate regulations and prepare the proper insignia and forms, which forms shall include information required by the Department of Revenue, in order to be ready to undertake the burden of administering the provisions of KRS 186 with regard to commercial vehicles as of January 1, 1963, and thereafter.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

Any motor vehicle properly registered in another state belonging to a nonresident, which vehicle is required to be registered in this state by reason of lack of reciprocal agreement with the state in which it is registered, or by reason of not qualifying for reciprocity under an existing reciprocal agreement with the state in which it is registered may be registered with the county clerk by presenting a photostat or certified copy of the registration receipt or certificate of title issued to the nonresident in his home state. The registration receipt issued by the county clerk shall be stamped across its face with a notation prescribed by the department that will indicate the registration receipt so issued cannot be used in transferring legal title to the motor vehicle. However, under regulations prescribed by the department, a registration receipt so issued may be transferred to a new owner if the foreign legal title and registration is transferred in that state to the new owner. Nothing contained herein, shall release the *owner of the vehicle from any tax fees or other requirements imposed by law.*

Section 4. Section 186.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) The annual registration fee for motor vehicles, including taxicabs, *airport limousines and u-drive-its,* primarily designed for carrying passengers and having provisions for not more than nine passengers, including the operator, shall be $4.50.

(2) The annual registration fee for each motorcycle shall be $2.00, and for each sidecar attachment, $1.00.

(3) All motor vehicles except those mentioned in subsections (1) and (2), and those engaged in hauling passengers for-hire, operating under certificates of convenience and necessity, are classified as [trucks or buses] *commercial vehicles,* and the annual registration fee, except as provided in subsections (4) through (8), shall be as follows:

Declared Gross Weight	Registration Fee
0- 5000	$ 10.00
5001- 8000	22.00
8001-10000	25.00
10001-12000	29.00
12001-14000	32.00
14001-16000	36.00
16001-18000	40.00
18001-21000	45.00
21001-24000	50.00
24001-27000	59.00
27001-30000	71.00
30001-33000	85.00
33001-36000	101.00
36001-39000	123.00
39001-42000	150.00
42001 or over	250.00

The registration fee shall be increased fifty percent on any motor vehicle not equipped wholly with pneumatic tires.

[(4) Application for registration for motor vehicles in the weight classification in paragraph (3) may be required by regulation to be submitted to the department and the application shall contain the information required by the department. The department shall certify the application to the owner for registration in the proper weight class to be determined by the information in the application for registration.

Upon presentation of the certified application by the owner to the appropriate county clerk, the clerk shall issue a license for the motor vehicle in the weight class certified by the department and collect the proper registration fee.]

[(5)] *(4)* Any farmer owning a truck having a gross weight of 24,000 pounds or less may have it registered as a farmer's truck and obtain a license for $4.50 by filing with the county clerk, in addition to other information required, an affidavit stating that he is a farmer engaged solely in the production of crops, livestock or dairy products, that he owns a truck of the gross weight of 24,000 pounds or less, that he has caused to be printed upon each side [of the bed] of the truck the words "Farmer's Truck" in conspicious letters not less than three inches in height, and that during the next twelve months the truck will be used only in transporting persons, food, provender, feed and machinery used in operating his farm and the products grown on his farm.

[(6)] *(5)* Any person owning a truck or bus used solely in transporting school children and school employees may have the truck or bus registered as a school bus and obtain a license for $4.50 by filing with the county clerk, in addition to other information required, an affidavit stating that the truck or bus is used solely in the transportation of school children and persons employed in the schools of the district, that he has caused to be printed on each side [of the bed] of the truck or bus and on the rear door [or part of the bed] the words "School Bus" in letters at least six inches high and of a conspicuous color and that the truck or bus will be used during the next twelve months only for the purpose stated.

[(7)] *(6)* Any church or religious organization owning a truck or bus used solely in transporting persons to and from a place of worship or for other religious work may have the truck or bus registered as a church bus and obtain a license for $4.50 by filing with the county clerk, in addition to other information required, an affidavit stating that the truck or bus will be used only for the transporting of persons to and from a place of worship, or for other religious work, and that there has been printed on the truck or bus in large letters the words "Church Bus", with the name of the church or religious organization owning and using the truck or bus, and that during the next twelve months the truck or bus will be used only for the purpose stated.

[(8)] *(7)* Any person owning a truck on which an outfit for drilling water wells has been mounted and bolted to the chassis may register the truck and obtain a license for $4.50 by filing with the county clerk, in addition to other information required, an affidavit that an outfit for the drilling of water wells has been mounted on and bolted to the chassis of the truck, and that during the next twelve months the truck will be used only for the transportation of the well drilling outfit.

[(9)] *(8)* Any person owning a motor vehicle on which a wrecking crane and other equipment suitable for an automobile wrecker service has been permanently mounted may register the vehicle and obtain a license for $9.50 by filing with the county clerk, in addition to other information required, an affidavit that a wrecking crane and other equipment suitable for an automobile wrecker service has been permanently mounted on such vehicle and that during the next twelve months the vehicle will be used only in automobile wrecker service.

Section 5. Section 186.055 of the Kentucky Revised Statutes is amended to read as follows:

(1) All [motor vehicles registered under subsection (3) of KRS 186.050] *commercial vehicles,* except motor vehicles taxed under [KRS] *Chapter* 281 [.810] *of the Kentucky Revised Statutes,* wherein the gross weight exceeds 18,000 pounds, shall pay an additional fee as follows:

Declared Gross Weight	Weight Fee
18,001-21,000	$ 67.00
21,001-24,000	84.00
24,001-27,000	97.00
27,001-30,000	113.00
30,001-33,000	130.00
33,001-36,000	148.00
36,001-39,000	170.00
39,001-59,640	325.00
59,641-73,280	500.00

(2) The clerk shall issue a weight plate furnished by the department and shall be paid for this service the sum of twenty-five cents.

(3) The clerk shall not register any common or contract carrier motor vehicle or U-Drive-It vehicle until the owner has presented in duplicate to the clerk a receipt from the Department of Motor Transportation showing that the weight tax has been paid as provided for under KRS 281.810. A copy of this receipt shall be retained by the clerk and the other copy forwarded to the department together with the department's copy of the registration receipt issued by the clerk. Providing, however, the Department of Motor Transportation may by regulation provide otherwise.

[(4) In order to permit licensing of motor vehicles under this section for weights in excess of 59,640 pounds during the period from July 1, 1960, to December 31, 1960, the clerk shall license such vehicles for an additional fee equal to one-half the difference between the fee previously paid for the current licensing year and the maximum fee provided herein.]

[(5) *(4)* Motor vehicles registered under subsection (3) of KRS 186.050 or duly registered under the laws of any other state, which when operated in this state are used exclusively for the transportation of property within the limits of the city named in the affidavit hereinafter required to be filed, or within ten miles of the limits of the city if it is a city of the first, second, third or fourth class, or within five miles of its limits if it is a city of the fifth or sixth class, shall not be required to pay the fee as set out in this section. Nothing in this section shall be construed to limit any right of nonresidents to exemption from registration under any other provision of the laws granting reciprocity to nonresidents. Operations outside of this state shall not be considered in determining whether or not the foregoing mileage limitations have been observed. When claiming exemption of payment of the fee, the owner shall file with the county clerk in addition to any other information that may be required an affidavit stating that the motor vehicle when used within this state is used only for the transportation of property within the cities to be named in the affidavit and the area above set out and that the vehicle will not be used outside of the city and the area above set out during the current registration period, and that there has been printed conspicuously on each side of the vehicle in letters of distinctive color at least three inches in height the name of the owner and words "Urban Limits".

Section 6. Section 186.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every manufacturer of, or dealer in, motor vehicles in this state shall register with each county clerk in which his principal office or place of business and any branch office or sub-agent or agency is located, and pay an annual registration fee of twenty-five dollars to each clerk. Upon receipt of this fee, the clerk shall issue the manufacturer or dealer a certificate of registration and one dealer plate. Every manufacturer or dealer registered under this section shall be furnished additional dealer's plates upon the payment of five dollars for each plate so desired. A motor vehicle bearing dealer's plates may be used only by a member of the firm registered or by a bona fide salesman or employee of the firm for any purpose reasonably connected with the sale or demonstration for sale and delivery of the dealer's motor vehicles, or by any manufacturer or dealer licensed as provided above in transporting any motor vehicle over the highways of this state to his place of retail business from a manufacturer or wholesale dealer in motor vehicles. Any dealer in

motor vehicles may allow any bona fide customer or the customer's employees to use the dealer's tag on the motor vehicle that is being demonstrated. This provision shall be limited to one trip or demonstration to the same prospective customer.

(2) Each manufacturer and dealer when making application for dealer's plates shall file a verified statement with the clerk, giving the name and address of each member of the firm and each bona fide salesman or employee entitled to the use of the plates for demonstration purposes only. When any bona fide salesman or employee so registered is no longer in the employ of the firm, an amended verified statement shall be filed with the clerk showing that fact, and when any additional salesmen or employees are employed, an amended verified statement showing their names and addresses shall be filed with the clerk so that the records in the clerk's office will at all times show the bona fide salesmen and employees actually in the service of the registered dealer or manufacturer.

(3) Any manufacturer or dealer violating any of the provisions of this section may be cited by the Department of Revenue to show cause at a public hearing before the Kentucky Tax Commission why his dealer's license should not be suspended and his dealer's plates cancelled by the commission. The manufacturer or dealer shall be notified by registered letter or summons. Upon cause the Kentucky Tax Commission shall have the power to suspend for the period of not less than thirty days nor more than ninety days the manufacturer's or dealer's license and to cancel his dealer's plates. The aggrieved manufacturer or dealer may appeal from the ruling of the Kentucky Tax Commission according to the provisions of KRS 131.120. Such manufacturer or dealer whose license has been suspended is prohibited from engaging in the business of selling or buying motor vehicles. The license of any manufacturer or dealer shall be revoked for a period of one year and his dealer's plates cancelled in the event he violates any of the provisions of this section during this suspension period or has been suspended by the commission more than twice for violations of this section. At the end of the revocation or suspension period, the manufacturer or dealer whose license has been revoked or suspended and dealer's plates cancelled may follow the provisions of this section and again be registered and secure dealer's plates from the clerk.

(4) The Department of Revenue shall be responsible for the administration of this section, and is empowered to promulgate rules and regulations pertaining to the administration thereof.

Section 7. Section 186.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) If any motor vehicle upon which the license tax has been paid is destroyed by fire or accident, so that the vehicle is rendered

entirely useless the owner shall be entitled to have refunded to him a part of the license fee paid by him proportionate to the unexpired part of the calendar year for which the license was granted.

(2) To obtain the refund, the owner whose car has been destroyed shall apply to the Department *of Revenue,* submitting his own affidavit and the affidavits of two reputable persons, attesting to the fact that the vehicle has been destroyed, and the manner of destruction, and shall return the original license plates to the Department *of Revenue.* The Department *of Revenue* shall examine all applications and investigate the claims for refund, and if a claim is found to be correct, it shall approve it for payment, whereupon the Department of Finance shall draw a warrant upon the State Treasurer in favor of the owner of the destroyed vehicle, and charge the amount of it to the State Road Fund.

Section 8. Section 186.160 of the Kentucky Revised Statutes is amended to read as follows:

No clerk shall receive an application for registration nor register a motor vehicle, unless the motor vehicle bears a motor number or a vehicle identification number. If there is no motor number or vehicle identification number, or if the number is not plainly legible, the owner shall apply through the clerk to the Department *of Revenue* for a motor number or vehicle identification number, and when that number is assigned to the owner's motor vehicle the owner shall cause the number to be stamped on the motor with a steel die or in the space provided by manufacturer for vehicle identification number. That number shall thereafter be used by the owner in making registration or executing a bill of sale.

Section 9. Section 186.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided *in this subsection and* in KRS 186.195, the owner shall have the receipt issued by the department through the county clerk constantly in his possession, and shall display the registration plate conspicuously upon the rear of the motor vehicle. *The owner's copy, or a reproduced copy thereof, of the registration receipt of every motor vehicle licensed under KRS 186.050 (3) through (8) or KRS 186.055 shall be kept in the vehicle at all times and shall be available for inspection.* Plates shall be kept legible at all times and the rear plate shall be illuminated when being operated during the hours designated in KRS 189.030. If the department has prescribed that plates shall continue in use, it shall each year, in addition to the registration receipt, select and give to the owner as further evidence of registration some insignia which may conveniently be attached permanently and conspicuously to the motor vehicle during each registration year. It shall be the duty of the owner

to attach same in the prescribed manner and no person may operate a motor vehicle unless such insignia is so affixed upon it. The department shall have placed on said insignia either figures, letters, writing, marks, or a combination thereof, which indicate that the motor vehicle has been registered and which in conjunction with the records of the department make identity of the registrant readily ascertainable.

(2) The registration year shall be from January 1 to December 31; however, registration plates for the succeeding year may be displayed beginning December 29.

Section 10. Section 186.181 of the Kentucky Revised Statutes is amended to read as follows:

The Commissioner of Public Safety shall, upon receipt of a report from the Department of Revenue *or the Department of Motor Transportation* of a cancelled motor vehicle registration plate, cause all members of the State Police and such peace officers as he may deem necessary, to be notified of the cancellation. It shall be the duty of all members of the State Police and of all peace officers to seize any registration plate bearing a cancelled number and to report such seizure to the [Department of Revenue] *appropriate department.*

Section 11. Section 186.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever a motor vehicle that has been previously registered changes ownership, the registration plate shall remain upon such motor vehicle as a part of it until the expiration of the registration year.

(2) No person shall sell or trade any motor vehicle without delivering to the county clerk of the county in which the sale or trade is made the registration receipt issued on the motor vehicle for the current year and the bill of sale.

(3) Upon delivery of the registration receipt and the bill of sale to the county clerk of the county in which the sale or trade was made, the seller shall pay to the county clerk a transfer fee of one dollar, which shall be remitted to the Department *of Revenue.* The county clerk shall thereupon issue to the purchaser a transfer of registration bearing the same data and information as contained on the original registration receipt, except the change in name and address. The seller shall pay to the county clerk a fee of one dollar for his services.

(4) Whenever a county clerk issues to a purchaser a transfer of registration in a county other than the one in which the motor vehicle was originally registered, the clerk shall immediately mail

one copy of the transfer of registration to the clerk of the county of original registration.

(5) If the owner junks or otherwise renders a motor vehicle unfit for future use, he shall deliver the registration plate and registration receipt to the county clerk of the county in which the motor vehicle is junked. The county clerk shall immediately return the plate and receipt to the Department *of Revenue*. The owner shall pay to the county clerk fifty cents for his services.

(6) A licensed motor vehicle dealer shall not be required to pay the transfer fee provided by this section, but shall be required to pay the county clerk's fee provided by this section.

(7) The registration receipt issued by the clerk under this section shall contain information as required by the Department of Motor Transportation.

Section 12. Section 186.192 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county clerk shall not transfer the registration of any motor vehicle *or vehicle as defined in KRS 186.650* unless evidence is presented in such form as the Department *of Revenue* may prescribe that all excise taxes imposed on the sale, transfer or use of the motor vehicle *or vehicle* have been paid. In any case where the transferor or transferee is a dealer as defined in KRS 190.010, no proof of payment of such taxes is required.

(2) Any clerk who violates this section shall be subject to the penalties prescribed in KRS 186.990 (1).

Section 13. Section 186.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) The bill of sale provided for by KRS 186.190 shall contain the date, the purchaser's name and post office address, seller's name and post office address, the occupation of each, and the information provided for in KRS 186.030 and shall be subscribed and sworn to before any officer authorized to administer an oath.

(2) No person for himself or his employee or agent or as an officer of any court, shall sell, trade, transfer or deliver any motor vehicle without at the same time making a bill of sale in [triplicate] *quadruplicate* and delivering *the original and* two copies thereof to the county clerk. The county clerk shall retain one copy of the bill of sale *and shall deliver* [one] *the original* copy to the purchaser together with the registration receipt or transfer of registration, *and attach the other copy to the department's copy of the registration receipt or transfer of registration. No person shall sign a bill of sale until the purchaser's name is shown thereon.*

Section 14. Section 186.230 of the Kentucky Revised Statutes is amended to read as follows:

The county clerk shall see that KRS 186.020 to 186.260 in his county are enforced. In so doing, he shall:

(1) Take all applications as provided in KRS 186.020 to 186.260 except those in KRS 186.090;

(2) Issue the receipts on blanks furnished by the department;

(3) Collect the fees due the state;

(4) Distribute the registration plates furnished by the Department *of Revenue and Department of Motor Transportation* and keep a complete public record of all registrations for his county, in his office;

(5) Report and remit each Monday to the Department *of Revenue* all moneys collected during the previous week, together with a duplicate of all receipts issued by him during the same period. He shall make all checks payable to the State Treasurer. [Upon the failure of a clerk to report and remit for more than seven days after the report and remittance are due, he shall pay a penalty of ten percent on the amount of money due in addition.] *Unless the clerk forwards duplicates of all receipts issued by him during the reporting period with his report and remits the amount shown due by the report within seven days after the report and remittance are due, he shall pay a penalty of one percent per month or fraction thereof on the amount of money shown to be due on the report. The department may in its discretion grant a county clerk a reasonable extension of time to file his report and remit all moneys not to exceed ten days for any one report. The extension however must be requested prior to the end of the seven-day period and shall begin to run at the end of said period.* All penalties collected under this provision shall be paid into the State Treasury as a part of the revenue collected under KRS 186.020 to 186.260;

(6) The clerk shall mail to the Department of Public Safety one duplicate of all receipts issued by him within two weeks of the date of issuance. *The Department of Public Safety shall make the receipts pertaining to commercial vehicles available to the Department of Motor Transportation for use in assimilating data therefrom;*

(7) Account to the Department *of Revenue* for all registration plates and receipt forms consigned to him, at such time or times as the Department *of Revenue* may direct, and give the *appropriate* department timely notice of a probable deficiency of plates or other supplies.

Section 15. Section 186.235 of the Kentucky Revised Statutes is amended to read as follows:

[No motor vehicle, not previously registered in this state, other than a new motor vehicle sold by a dealer licensed in this state, shall be registered by the county clerk unless such vehicle shall have been inspected by the sheriff of the county or his deputy in counties containing a city of the first or second class, or by any peace officer in other counties of the state. Such inspection officer inspecting the vehicle shall make a record of inspection on forms prescribed by the department. The applicant shall pay the inspection officer a fee of one dollar for making the inspection.]

(1) Any motor vehicle not previously registered in this state shall not be registered by the county clerk unless such vehicle shall have been inspected by the sheriff or his deputy of the county in which the motor vehicle is required by law to be registered if that county contains a city of the first or second class, or by a city or county peace officer of the county in which the vehicle is required by law to be registered in other counties of the state. Such inspection officer shall make a record of inspection on forms prescribed by the department. The applicant shall pay the inspection officer a fee of one dollar for making the inspection.

(2) New motor vehicles sold by a dealer licensed in this state and motor vehicles required to be registered under KRS 186.050 (3) in this state by reason of lack of reciprocity pursuant to reciprocity agreement with other jurisdictions, may be registered by the county clerk without having been inspected.

(3) If inspection is required under this section, it may be made in another county or state as long as the proper officer referred to in subsection (1) makes the inspection.

(4) Motor vehicles owned by servicemen or servicewomen who are residents of Kentucky stationed outside of Kentucky, may be inspected by the post provost or similar officer of the camp, post or station. The post provost or similar officer shall submit an affidavit stating the name of the owner, the identification or serial number, the make, body style, current license or title number, if any, and state in which currently registered or title, if any, of the motor vehicle.

(5) Motor vehicles operated by a motor carrier under a certificate or permit issued by the Department of Motor Transportation shall not be required to be inspected prior to registration.

Section 16. Section 186.240 of the Kentucky Revised Statutes is amended to read as follows:

It shall be the duty of the department to carry out the provisions of KRS 186.020 to 186.260 and in so doing shall:

(1) Prepare and furnish to the clerk in each county a sufficient

supply of all forms and blanks provided for in KRS 186.020 to 186.260, provided that the forms for receipts shall be designated for the writing of not less than triplicate copies, the originals of which shall be numbered consecutively for each county; the second and third copies bearing the same number as the original;, and the colors of all copies shall be different and the combination of colors shall not be the same for consecutive years. Receipts to be used as duplicates for lost receipts, as provided in KRS 186.180 (1), shall be in duplicate only, and shall not be numbered.

(2) Keep a numerical record of all registration numbers issued in the state, for which they may use the second copy of receipts forwarded by the clerk of each county, and also keep a record of motor or vehicle identification numbers required by KRS 186.160.

(3) Furnish to each clerk, originally each year upon estimate, and thereafter upon requisition at all times a sufficient supply of plates and other insignia evidencing registration for all classes of vehicles required to be registered. The department shall prescribe a plate of practical form and size for police identification purposes which shall contain only the registration number, the word "Kentucky" or the abbreviation thereof, "Ky.", and the name of the county in which the plate is issued, or in lieu thereof, the words "Official", "Highway", "Executive", [or] "Farm", *or in the case of plates for commercial vehicles, such words or information as the Department of Motor Transportation may by regulation provide* and the year for which the license is issued if the year is not evidenced as otherwise provided in this chapter; provided, however, no numerals indicating any year shall be placed upon any license plate issued under and in accordance with the provisions of KRS 186.060, relating to the licensing of vehicles owned exclusively by the state. A state slogan may be placed upon such plate if so desired.

(4) Annually estimate the quantity of plates, insignia, and other forms necessary for the succeeding year for each county in the state and said estimated quantity shall be delivered to the clerk in each county not later than December 1.

[(5) Receive all moneys forwarded by the clerk in each county and turn same over to the State Treasurer for the benefit of the State Road Fund; and out of this fund there shall be appropriated to the department administering KRS 186.020 to 186.260 an amount to be expended in the manner provided by law for the administration of its functions.]

(5) The Department of Revenue shall receive all moneys forwarded by the clerk in each county and turn same over to the State Treasurer for the benefit of the State Road Fund. Out of this fund there shall be appropriated to the Department of Revenue and

the Department of Motor Transportation an amount to be expended in the manner provided by law for the administration of their functions with regard to KRS 186.020 to 186.260.

(6) *The Department of Revenue shall* require an accounting by the clerk in each county for any moneys received by him under the provisions of this chapter, after the deduction of his fees under this chapter, and for all receipts, forms, plates and insignia consigned to him.

(7) When applied for under KRS 186.160, motor or vehicle numbers assigned shall be distinctive to show that they were designated by the department.

Section 17. Section 186.250 of the Kentucky Revised Statutes is repealed.

Section 18. Section 186.650 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 186.650 to 186.700:

(1) A "trailer" means any vehicle designed for carrying persons or property and being drawn by a motor vehicle being so constructed that no part of its weight rests up on the towing vehicle.

(2) "Semitrailer" means any vehicle designed for carrying persons or property and for being drawn by a motor vehicle and is so constructed that some part of its weight and some part of its load rests upon or is carried by another vehicle.

(3) "Housetrailer" means any vehicle used, or maintained for use, as a conveyance upon highways, designed and constructed in such a manner as will permit occupancy thereof as a temporary dwelling, or as sleeping places for one or more persons, or the conduct of any business or profession, occupation or trade having no other foundation than wheels or jacks, and not being used in one location as a permanent dwelling.

(4) "Department" means the Department of [Revenue] *Motor Transportation.*

Section 19. Section 186.655 of the Kentucky Revised Statutes is amended to read as follows:

(1) Before any owner or operator of a trailer, semitrailer or housetrailer [other than trailers or semitrailers which may be registered under the provisions of KRS Chapter 281] may operate or permit the operation of such vehicles upon the highways, the owner shall apply for registration to the county clerk of the county in which he resides or in which such vehicles are principally operated. The application shall be retained by the clerk and shall be accompanied by:

(a) A bill of sale, if the application is for the registration of a new trailer, semitrailer or housetrailer; or

(b) The owner's registration receipt, if the trailer, semitrailer or housetrailer was last registered in this state; or

(c) A bill of sale and the previous registration receipt, if last registered in another state where the law of such state does not require the owner of a trailer, semitrailer or housetrailer to obtain a certificate of title or ownership; or

(d) A certificate of title, if last registered in another state where the law of such state requires the owner of a trailer, semitrailer or housetrailer to obtain a certificate of title or ownership; or

(e) Affidavit from the owner of a trailer, semitrailer or housetrailer assembled or constructed for his personal use on the highways; or

(f) Affidavit from the owner of a trailer, semitrailer or housetrailer where the bill of sale for such vehicle has been lost, destroyed or stolen.

(2) The affidavit required in paragraph (e) shall contain the owner's name, address, date, brief description and a statement that the trailer was constructed by the owner for use on the highways and any additional information that the department may from time to time prescribe by regulation.

(3) The affidavit required in paragraph (f) shall contain the owner's name, address, date, make, year made, serial or identification number, from whom purchased, date of purchase, that the person making the affidavit is the sole owner, the circumstances under which the bill of sale was lost, destroyed or stolen, and any additional information that the department may from time to time prescribe by regulation.

(4) After that, he shall register his trailer, semitrailer or housetrailer on or before March 1 of each year. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the department.

(5) Trailers or semitrailers operated by motor carriers as defined under KRS Chapter 281 will be licensed with the Department of Motor Transportation for the year 1962. After 1962, all trailers will be licensed in accordance with the provisions of this section.

Section 20. Section 186.700 of the Kentucky Revised Statutes is amended to read as follows:

[The Department of Revenue shall administer the provisions of KRS 186.650 to 186.700.]

The Department of Motor Transportation shall administer the provisions of KRS 186.650 to 186.700, except that the Department of Revenue shall require an accounting by the clerk for the moneys received by the clerk under the provisions of KRS 186.675 and for all receipts, forms, plates and insignia consigned to him, and the clerk shall forward these moneys to the Department of Revenue in accordance with the other provisions of this chapter. The Department of Motor Transportation shall include on the registration receipts such information as shall be required by the Department of Revenue.

Section 21. Section 138.655 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 138.655 to 138.725 and 138.990 (17) and (18), unless the context requires otherwise:

(1) "Department" means Department of [Revenue] *Motor Transportation;*

(2) "Person" includes every natural person, fiduciary, association, state or political subdivision, or corporation. Whenever used in any clause describing the imposing imprisonment the term "person" as applied to an association means and includes the partners or members thereof, and as applied to a corporation, the officers thereof;

(3) "Public highway" means every way or place generally open to the use of the public as a matter of right for the purpose of vehicular travel notwithstanding that it may be temporarily closed or travel thereon restricted for the purpose of construction, maintenance, repair or reconstruction; *also including all city streets, alleys and any way or place on which a toll is charged for using such way or place;*

(4) "Motor vehicle" means any vehicle, machine or mechanical contrivance propelled by an internal combustion engine and licensed for operation and operated upon the public highways and any trailer or semitrailer attached to or having its front end supported by such motor vehicle;

(5) "Motor carrier" means every person who operates or causes to be operated on any highway in this state, any bus engaged in hauling passengers for hire operating under a certificate of convenience and necessity and any truck or tractor-trailer combination having a total of three or more axles. The number of axles referred to herein shall include not only those axles on the power unit but if a tractor-trailer combination is involved, also those axles on the trailer or semitrailer: [The term "motor carrier" shall include every common and contract carrier possessing authority as such from the Interstate Commerce Commission together with those engaged in transporting

in interstate commerce in this state commodities not regulated by the Interstate Commerce Commission.]

(a) "Axle" as referred to herein means any two or more load-carrying wheels mounted in a single transverse vertical plane;

(b) "Trailers and semitrailers" are those as defined in KRS 186.650 (1) and (2), except that it does not include those trailers defined in KRS 186.650 (3) and those exempted from regulation under KRS 186.675. The term "motor carrier" shall not mean or shall not include any person operating or causing to be operated a city bus except city buses operated across the border of the State of Kentucky;

(6) "City bus" means any motor vehicle used for the transportation of persons for-hire exclusively within the limits of any city or within ten miles of its limits over a regular route and exclusively within the boundaries of this state;

(7) "Heavy equipment motor carrier" means any person who operates on the public highways of this state as a "motor carrier" as defined in subsection (5) of this section, except that it shall not include motor vehicles used to transport persons for-hire;

(8) "Trip permit" means a permit for the operating during a ten consecutive day period *of any motor vehicle* of any "heavy equipment motor carrier" not licensed under KRS 138.665;

(9) "Licensee" means for purposes of KRS 138.655 through 138.725 any person who has been granted a license as a "motor carrier" or a "heavy equipment motor carrier", *or any motor vehicle in which a valid trip permit is carried;*

(10) "Use" means the consumption of gasoline and special fuels in propelling motor vehicles on the public highways;

(11) "Gasoline" means gasoline as defined in KRS 138.210 (4);

(12) "Special fuels" means and includes all combustible gases and liquids used for the generation of power in an internal combustion engine to propel vehicles of any kind upon the public highways, except that it does not include gasoline as defined in KRS 138.210 (4);

(13) "Quarterly" for the purposes of KRS 138.655 to 138.725 means a three-month period ending June 30 in the year 1956 and each succeeding three-month period thereafter.

Section 22. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Nothing herein shall deny the right of the Department of Revenue to make audits of a taxpayer's records and accounts, even

though the same taxpayer may be or should be a motor carrier and subject to investigation by the Department of Motor Transportation.

(2) The Department of Motor Transportation shall, upon request of the Department of Revenue, furnish the Department of Revenue any information which it may have in its records with regard to the administration of KRS 138.655 through 138.725.

(3) The Department of Motor Transportation shall not make any refunds to any person or company without inquiring of the Department of Revenue as to the person or company being indebted to the Commonwealth of Kentucky by reason of any tax liability, and no refunds shall be made if such person or company is indebted in any fashion to the Commonwealth of Kentucky.

Section 23. Section 138.725 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of [Revenue] *Motor Transportation* shall administer the provisions of KRS 138.655 to 138.725 and 138.990, and may prescribe, adopt and enforce regulations relating to the administration and enforcement thereof.

(2) The Department of [Revenue] *Motor Transportation* shall, upon the request of the officials to whom are entrusted the enforcement of the gasoline and special fuels tax law of any other state, the United States, or the provinces of the Dominion of Canada, forward to such officials any information which it shall have relative to the receipt, sale, use, transportation, shipment or delivery by any person of gasoline and special fuels provided such state or states makes provision in its law for the furnishing of like information to this state.

Section 24. A new section of the Kentucky Revised Statutes is created to read as follows:

Any final ruling of the Department of Motor Transportation with regard to the administration of KRS 138.655 through 138.725 shall be appealed in the manner provided by KRS 131.110, 131.120 and 131.125.

Section 25. All of the provisions of this Act, with the exception of Sections 2, 21, 22, 23 and 24 shall become effective January 1, 1963. Sections 21, 22, 23 and 24 shall become effective July 1, 1962. Section 2 shall become effective ninety days after the adjournment of this Session.

HB 141, AN ACT relating to city-county planning commissions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 100.330 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each commission shall consist of five "city members" and five "county members."

(2) The city members shall be chosen in the following manner: The city manager and the city engineer shall be ex officio members of the commission. If there is no city manager, the mayor shall be an ex officio member. If there is no city engineeer, the mayor shall appoint some other city administrative official to serve as an ex officio member. The mayor shall appoint the remaining three city members who shall be residents of the city and shall hold no other city or county office. All appointments by the mayor shall be subject to approval by the city legislative body.

(3) The county members shall be chosen in the following manner: the county judge shall designate one member of the county legislative body and the county engineer to serve as ex officio members of the commission. *If there is no county engineer, the county judge shall appoint some other county administrative official to serve as an ex officio member.* The remaining three county members shall be chosen by the county judge and shall be residents of the county outside the limits of the city *and shall hold* [holding] no other city or county office. All appointments by the county judge shall be subject to approval by the fiscal court.

(4) The citizen members initially appointed by the mayor shall hold office according to designation in their appointment, one of them for two years, and the others for terms of four years each, and upon the expiration of their respective terms, the successor of each shall hold his office for a term of four years. Vacancies in the offices of members appointed by the mayor shall be filled by successors appointed by the mayor for the unexpired term.

(5) The county citizen members initially chosen by the county judge shall hold office one of them for two years, the others for terms of four years each. Upon expiration of their respective terms, the successor of each shall hold his office for a term of four years. Vacancies in the office of the appointive county members shall be filled by a successor appointed by the county judge with the approval of the fiscal court for the remainder of the term of office in which the vacancy has occurred.

(6) Where any ex officio member in the employment of the city of county vacates his official position he shall ipso facto vacate his office as a member of the commission. The terms of the ex officio members shall correspond to their respective official tenures, except that the terms of the city and county appointive administrative officials

shall terminate respectively, with the terms of the mayor and county judge selecting them. Any incumbent otherwise qualified under this section shall hold office until his successor is chosen and qualified; provided, however, that appointed members may be removed by the appointing authority on written charges after a public hearing.

HB 146, AN ACT relating to homes for the aged.

WHEREAS, there is a growing need for additional housing and care facilities for elderly persons; and

WHEREAS, many facilities presently in operation are inadequate; and

WHEREAS, there are resources available at federal, state and local levels of government which are not being completely utilized toward the alleviation of the problem; and

WHEREAS, the state government should promote interest in the provision of housing for the elderly and should provide leadership, information as to available resources and technical assistance to public or private groups or individuals engaged in the development of such housing and care facilities; and

WHEREAS, the state government should provide a means of financing or partial financing of needed facilities in those instances in which no other financial assistance is available.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act:

(1) "Nursing home" and "personal care home" have the meaning that they are given in KRS 216.610;

(2) "Fund" means the Nursing Home and Personal Care Home Loan Fund;

(3) "Board" means the Nursing Home and Personal Care Home Loan Fund Board.

Section 2. The Department of Economic Security shall be responsible for promotion of interest in the development of additional facilities for the housing and care of the elderly, and for providing consultative and technical assistance to public and private groups engaged in the development of such facilities. The department's functions shall include but not be limited to:

(a) Promotion of local and community interest in the problem of housing and care for the elderly.

(b) Assisting local housing commissions in the development of low rent housing projects for the elderly.

(c) Provision of information as to need for facilities in particular areas or locations.

(d) Provision of advice and assistance in the planning of facilities as to area to be served, size, type, staffing, operation and maintenance.

(e) Provision of information as to the availability of federal financial assistance and the procedures which should be followed in applying for such assistance.

(f) Provision of information as to the availability of state financial assistance and the procedures which should be followed in applying for such assistance.

(g) Provision of information as to the availability of private financial assistance.

(h) Provision of information as to licensing requirements of the state or its political subdivisions.

Section 3. (1) The Nursing Home and Personal Care Home Loan Fund is established. Loans may be made from the fund for constructing, equipping, remodeling or re-equipping nursing homes or personal care homes.

(2) The Nursing Home and Personal Care Home Loan Fund Board is established. The board is composed of the Commissioners of Health, Economic Security, Finance and Mental Health. The Commissioner of Economic Security shall be the Chairman.

Section 4. The board shall promulgate regulations governing the granting of loans under this Act. The regulations shall provide:

(1) The rate of interest to be charged.

(2) Whether security is to be required, and if so, the amount and kind of security.

(3) Standards for determining the feasibility and soundness of projects.

(4) The form and content of applications.

(5) Percentage of total project cost to be loaned in each category authorized.

(6) Other matters that the board determines necessary to carry out the purposes of this Act of the purpose expressed in KRS 216.620.

Section 5. The Commissioner of Finance with the approval of the Governor shall have authority to transfer to the fund an amount not to exceed $150,000 in the 1962-1964 biennium from funds appropriated to the Department of Economic Security for Nursing Home Care and Homes for the Aged.

SB 128, AN ACT relating to control of water as a natural resource.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 262.680 of the Kentucky Revised Statutes is amended to read as follows:

Water occurring in any natural stream, natural lake or other natural water body in the Commonwealth which may be applied to any useful and beneficial purpose is hereby declared to be a natural resource and public water of the Commonwealth and subject to control and regulation for the public welfare. Diffused surface water which flows vagrantly over the surface of the ground shall not be regarded as public water, and the owner of the land on which such water falls or flows shall have the right to its use. Water left standing in natural pools in a natural stream when the natural flow of the stream has ceased *and water trapped in sediment pools formed by floodwater retarding structures authorized by KRS 262.690 (3), whether such structures are built with private or public funds,* shall not be regarded as public water and the owners of the land contiguous to that water shall have the right to its use for their purposes.

SB 129, AN ACT relating to public library districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 173.470 of the Kentucky Revised Statutes is amended to read as follows:

Districts shall be organized in the following manner:

(1) Upon the filing of a duly certified petition of one hundred or more duly qualified voters in each county to be included within the territorial limits of the proposed districts, the fiscal court of each county in the proposed district shall adopt a resolution submitting to the qualified voters of the county the question as to whether a public library district should be established for the area and a special ad valorem tax imposed for the maintenance and operation of the district not to exceed twenty cents on each one hundred dollars of the assessed valuation of all property in the district. A certified copy of the order of the fiscal court shall be filed with the county court clerk at least sixty days prior to the next regular election and thereupon the clerk shall cause the question to be placed upon the ballot.

(2) The question shall be in [substantially] the following form: "Are you in favor of establishing a public library district for (insert name of county or counties) which shall have the authority to impose a special ad valorem tax of ____________on each one hundred dollars of the assessed valuation of all property in the district for the maintenance and operation of the (insert name) public library district?" [provided that such special tax shall not exceed twenty cents on each one hundred dollars of the assessed valuation of all property in the district?"]

(3) If a majority of those voting in each county on the question favor the establishment of a public library district it shall be so established and shall constitute and be a taxing district within the meaning of Section 157 of the Constitution of Kentucky.

(4) All special ad valorem taxes authorized by KRS 173.450 to 173.650 shall be collected in the same manner as are other county ad valorem taxes in each county affected and shall be turned over to the board as the governing body of the district. The special ad valorem tax shall be in addition to all other ad valorem taxes.

SB 130, AN ACT relating to countersignature of bonds and policies written by nonresident agents, and the sharing of commissions thereunder.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 304.099 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in KRS 304.103, all *bonds and* policies covering subjects of insurance located or to be performed in this state which are placed by or through a licensed nonresident agent shall be countersigned by a duly licensed resident agent of the insurer.

(2) [Except for the policies and bonds as enumerated in KRS 304.101,] The countersigning resident agent and the nonresident agent shall share equally in the commissions derived from all *bonds and* policies requiring countersigning by this section.

Section 2. Section 304.101 of the Kentucky Revised Statutes is hereby repealed.

SB 131, AN ACT relating to jailer fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) Jailers shall be paid out of the county treasury, except as provided in subsection (2) of this section, the following fees for the following services:

Attending county and quarterly court per day not exceeding	$6.00
Furnishing fuel and lights to county and quarterly court, except as provided in KRS 67.150, a reasonable compensation, not exceeding, per day	2.00
Putting a prisoner in irons, for an offense other than a felony or contempt besides the cost of irons	.50
Keeping and dieting prisoners in jail, in counties not containing a first-class city, when confined for an offense other than a felony or contempt of court, per day	1.75
Keeping and dieting prisoners in jail, when confined for an offense other than a felony or contempt of court, a fee equal to the reasonable cost of providing such services, not exceeding, per day	1.75
Imprisoning and releasing a prisoner charged with a misdemeanor	.75

(2) Where the prisoner is confined for a breach of the by-laws or ordinances of a city, or for a violation of a statute where the city gets the benefit of the fine, the fees for keeping and dieting the prisoner and for imprisoning and releasing him shall be paid by such city.

(3) Jailers shall be paid out of the State Treasury the following fees for the following services:

Imprisoning and releasing a prisoner charged with a felony or contempt	.75
Keeping and dieting a prisoner charged with a felony or contempt, per day	1.75
Putting a prisoner charged with a felony or contempt in irons, to secure his safekeeping in the jail, besides the cost of the irons	.50
Imprisoning and releasing a prisoner for violation of his probation or parole; provided, however, the state granting probation or parole has executed a compact with the Commonwealth in accordance with KRS 439.560. The fees shall be the same as those charged for felony and contempt.	
Each day's attendance upon the circuit court	6.00

Furnishing fuel, light and water to the circuit court, not exceeding, per day 2.00

(4) For all other services performed by the jailer, he shall receive the same fees paid to sheriffs for like services.

SB 132, AN ACT relating to prisons and prisoners.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Any prisoner who incites or participates in a prison riot, or similar disturbance, or willfully damages or destroys state property, shall, upon conviction, be confined in the penitentiary for not less than one nor more than five years, such confinement to be served consecutively to any other sentence then being served.

(2) Any prisoner who holds any person as a hostage for any reason, shall, upon conviction, be confined for not less than one nor more than five years, such confinement to be served consecutively to any other sentence then being served.

(3) If a person other than the prisoner suffers bodily injury while a prisoner is engaged in the activities described in subsections (1) or (2), the prisoner shall, upon conviction, be confined for not less than two nor more than twenty-one years, to be served consecutively to any other sentence then being served.

Section 2. Section 432.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person convicted of a crime who, while serving a sentence of imprisonment in the penitentiary, escapes from the penitentiary or wherever he may be confined, *or attempts to escape by concealing himself within the confines of the institution or by attempting to scale the enclosure surrounding the institution,* or flees from whatever bounds he may be assigned, whether under guard or as a trusty, shall be further confined in the penitentiary for not less than three nor more than six years, to commence after he has served out the sentence for which he was originally confined.

(2) Any convict confined in a locked cell, *dormitory,* hospital or *other* lockup in the penitentiary who escapes therefrom to another part of the penitentiary, or aids another convict in doing so, shall be confined in the penitentiary for not less than one nor more than six years, *to commence after he has served out the sentence for which he was originally confined* [to be added to the term of his former conviction].

(3) For any offense mentioned in Subsection (1) or Subsection (2) of this section, the circuit court of the county in which the

convict was confined, or of the county from which he was sent out under assignment to work, *or for any other reason,* shall have jurisdiction.

SB 133, AN ACT relating to the licensing of Insurance Agents.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 304.521 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each applicant for license as agent, solicitor, or adjuster shall, prior to the issuance of any such license, personally take and pass to the satisfaction of the commissioner *a written* [an] examination given by the commissioner as a test of his qualifications and competence; but this requirement shall not apply to:

(a) Applications as to limited licenses, as travel insurance agents only, under KRS 304.529.

(b) Applicants who at any time *within the five-year period next preceding* [prior to the] date of application have been licensed in this state under a license similar to the license applied for and who are deemed by the commissioner to be fully qualified and competent.

(c) Applicants for license as non-resident agent who have fulfilled qualification requirements in their state of residence and who are deemed by the commissioner to be fully qualified and competent.

(d) Applicants for an agent's or solicitor's license covering the same kinds of insurance as an agent's or solicitor's license then held by them.

[(2) Applicants for the renewal of licenses in force on September 1, 1950, or issued thereafter, and adjusters in business as such on September 1, 1950, shall not be required to take an examination except as provided in subsection (3) of this section.]

(2) [3] The commissioner may at any time require any licensed agent, solicitor, or adjuster to take and successfully pass an examination testing his competence and qualifications as a condition to the continuance or renewal of his license, if the licensee has been guilty of violation of this code, or has so conducted his affairs under his license as to cause the commissioner reasonably to desire further evidence of his qualifications. In any such event the commissioner shall give not less than thirty days notice of the requirement before the examination, and the licensee's license shall in any event remain in effect until the result of the examination has been determined by the commissioner.

(3) [4] The commissioner shall give, conduct and grade all such examinations in a fair and impartial manner, and without unfair discrimination as between individuals examined.

(4) [5] The commissioner may appoint an advisory board to make recommendations to him with respect to the scope, type, and conduct of written examinations under KRS 304.511 to 304.560 and the times and places in the state where they shall be held. The advisory board, if appointed, shall consist of qualified persons selected from among insurance company officers and employes, general agents and managers, and licensed insurance agents and adjusters on such basis as to provide fair representation as to the various types of insurers. The members of the advisory board shall serve without pay but, upon the authorization of the commissioner, shall be reimbursed for their reasonable expenses in attending meetings of the advisory board.

Section 2. Section 304.567 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each applicant for a license to act as a life insurance agent within the state shall submit to a personal written examination to determine his competence with respect to life insurance and annuity contracts and his familiarity with the pertinent provisions of the laws of this state, and shall pass the same to the satisfaction of the commissioner; except that no such written examination shall be required of:

(a) Applicants who at any time *within the five-year period next preceding* [prior to the] date of application have been licensed in this state under a license similar to the license applied for *and who are deemed by the commissioner to be fully qualified and competent.*

(b) An applicant for a renewal license [Applicants who at any time prior to the date of application have been licensed in this state under a license similar to the license applied for] unless the commissioner determines that such examination is necessary to establish the competency of such individual, *and in which case* [however, in the event the applicant is currently licensed,] the commissioner shall give not less than thirty days notice of the requirement before the examination and the licensee's license shall in any event remain in effect until the result of the examination has been determined by the commissioner.

(c) [b] In the discretion of the commissioner, an applicant whose license to do business or act as a life insurance agent in this state was suspended less than one year prior to the date of application.

(2) The commissioner shall establish rules and regulations with respect to the scope, type and conduct of such written examinations

and the times and places within this state where they shall be held. Applicants shall be permitted to take such examinations on any business day at the principal office of the commissioner.

(3) No person who shall have taken and failed to pass two examinations given pursuant to this section shall be entitled to take any further examination until after the expiration of six months from the date of the last examination in which he failed. If such person shall thereafter fail to pass two more such examinations he shall not be eligible to take any further examination until after the expiration of one year from the date of his last unsuccessful examination. An examination fee shall be paid for each and every examination.

(4) The commissioner may appoint an advisory board to make recommendations to him with respect to the scope, type and conduct of written examinations and the times and places in the state where they shall be held. This advisory board, if appointed, shall consist of individuals experienced in the life insurance business, and may include life insurance company officers and employes, general agents and managers, and licensed life insurance agents. The members of the advisory board shall serve without pay but, upon the authorization of the commissioner, shall be reimbursed for their reasonable expenses in attending meetings of the advisory board.

SB 134, AN ACT relating to military leave for public employees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 61 of Kentucky Revised Statutes is enacted to read:

All officers and employees of this state, or of any department or agency thereof who are members of the National Guard or of any reserve component of the armed forces of the United States, or of the reserve corps of the United States Public Health Service, shall be entitled to leave of absence from their respective duties, without loss of time, pay, regular leave, impairment of efficiency rating, or of any other rights or benefits, to which they are entitled while in the performance of duty or training in the service of this state or of the United States under competent orders, for a period in any calendar year not to exceed that specified in this act. Such officers or employees while on such leave shall be paid their salaries or compensations for a period or periods not exceeding fifteen calendar days or ten working days if the employee's position is based upon a five day work week; twelve days if the employee's position is based upon a six day work week; fifteen days if the employee's position is based upon a seven day work week, in any one calendar year.

Section 2. All officers and employees of counties, municipalities, school districts, or other political subdivisions of the state who are members of the National Guard or of any reserve component of the armed forces of the United States, including the United States Public Health Service, may be granted annual military leave by their respective employers as provided in Section 1 of this act.

SB 135, AN ACT relating to paroled prisoners to be amenable to orders of the board and division; supervision and direction of paroled prisoners; final discharge; restoration of civil rights.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The board may retain any prisoner on parole for a period of at least one year.

Section 2. The period of time spent on parole shall not count as a part of the prisoner's maximum sentence except in determining parolee's eligibility for a final discharge from parole as set out in Section 6.

Section 3. During the period of his parole the prisoner shall be amenable to the orders of the board and the division.

Section 4. Paroled prisoners shall be under the supervision of the division and subject to its direction for the duration of parole. Supervision of the parolee by the division shall cease at the time of recommitment of the prisoner to prison as a parole violator, or at the time a final discharge from parole is granted to the parolee by the board.

Section 5. Recommitment of a parolee to prison on a new sentence received for commission of a crime while on parole, shall automatically terminate his parole status on any sentence on which he has not received a final discharge, or a restoration of civil rights, prior to the date of recommitment. The prisoner shall, at the time of the recommitment on the new sentence, begin to accrue additional time credit toward conditional release or expiration of sentence on the sentence on which he had previously been paroled unless he has been finally discharged from parole on the sentence or has been restored to civil rights prior to the date of the recommitment.

Section 6. When any paroled prisoner has performed the obligations of his parole during his period of active parole supervision the board may, at the termination of such period to be determined by the board, issue a final discharge from parole to the prisoner. Unless ordered earlier by the board, a final discharge shall be issued when the prisoner has been out of prison on parole a sufficient period of time to have been eligible for discharge from prison by maximum expiration of sentence had he not been paroled, provided before this date he had not absconded from parole supervision or that a warrant for parole violation had not been issued by the board.

Section 7. After final discharge has been ordered and a certificate issued by the board, or after the parolee's civil rights have been restored by an act of the Governor, the parolee may not be held again for a violation of that parole.

Section 8. The provisions of granting final discharges from parole, and the release from being again confined on the same sentence in the penitentiary following the granting of such discharge or following the restoration of the parolee's civil rights, as set out in this act, shall be followed in all cases of those persons confined or paroled before, on, or committed after the effective date of this act.

Section 9. Section 439.350 of the Kentucky Revised Statutes is repealed.

SB 136, AN ACT relating to probation and parole.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any prisoner serving a sentence of fifteen years or less, or sentences aggregating fifteen years or less, may be considered for parole by the Parole Board after he has served one-third of the sentence or sentences imposed upon him, provided he has served a minimum of six months.

Section 2. Any prisoner serving a sentence or sentences aggregating more than fifteen years and not more than twenty-one years may be considered for parole after serving at least six years of the total sentence.

Section 3. Any prisoner convicted and sentenced on a single life sentence or on multiple term sentences aggregating more than twenty-one years may be considered for parole in eight years. Any prisoner convicted and sentenced on two or more life sentences, to be served consecutively, must serve eight years on each sentence to be eligible for parole. Any prisoner convicted and sentenced on a life sentence and on a sentence or sentences for a term of years, and all sentences are to be served consecutively, must serve the aggregate amount of time required to be eligible on each sentence, to be eligible for parole.

Section 4. A sentence, on conviction of a felony, imposed upon a confined prisoner for a crime committed prior to the date of his instant commitment, if designated to be served consecutively, shall be added to the sentence or sentences being served to determine parole eligibility. If the confined prisoner has already accrued sufficient time credit for parole eligibility on the first sentence, on the day the second sentence to be served consecutively is received, he shall begin accruing parole eligibility time credit on the second sentence on the day judgment is entered on the second sentence.

If the additional sentence is designated to be served concurrently, or the commitment is silent, he shall be considered as having started to accrue parole eligibility on said sentence on the day he was committed on the first sentence.

Section 5. A prisoner receiving a sentence for a crime committed while confined in the penitentiary, or while on escape from the penitentiary, shall not accrue eligibility time toward parole on the latter sentence until he has become eligible for parole on the sentence or sentences, including life sentences, for which he was originally confined.

Section 6. The provisions of determining parole eligibility as set out in this Act shall be followed in all cases of persons confined before, on, or committed after the effective date of this Act except as hereinafter indicated. Prisoners who are confined on the effective date of this Act on one or more life sentences which were directed by the original commitment to be served consecutive to each other, or consecutive to a term of years sentence, or a term of years sentence consecutive to a life, shall be considered for parole according to the provisions of this Act before the effective date of this amendment.

Section 7. Section 439.110 of the Kentucky Revised Statutes is repealed.

SB 137, AN ACT relating to Mortgage Guaranty Insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. "Mortgage guaranty insurance" means insurance against financial loss by reason of non-payment of principal, interest and other sums agreed to be paid under the terms of any note or bond or other evidence of indebtedness secured by a mortgage, deed of trust, or other instrument constituting a lien or charge on real estate.

Section 2. A. An insurer, in order to qualify for writing mortgage guaranty insurance, must have the same capital and surplus as that required of a multiple line company by KRS 304.073.

B. An insurer transacting any class of insurance other than mortgage guaranty insurance is not eligible for the issuance of a certificate of authority to transact mortgage guaranty insurance in this commonwealth, nor the renewal thereof.

C. A foreign or alien insurer writing mortgage guaranty insurance shall not be eligible for the issuance of a certificate of authority in Kentucky unless it has demonstrated a satisfactory operating experience in its state of domicile.

Section 3. The unearned premium reserve shall be computed in accordance with KRS 304.369, except that all premiums on risks written for one year or less must be reserved on a monthly pro rata basis, and the reserve for those policies covering a risk period of more than five years shall be computed in accordance with formulae filed by the insurer and approved by the Commissioner of Insurance.

Section 4. For the protection of the people of this Commonwealth and for the purpose of protecting against the effect of adverse economic cycles, the company shall establish a contingency reserve which shall be maintained for 180 months. To provide for this, the company shall, annually, contribute 50% of the earned premiums to this reserve. The earned premiums so reserved may be released, annually, after the specified time of 180 months has elapsed. However, subject to the approval of the Commissioner, this reserve may be available only for loss payments, when the loss ratio (incurred losses to premiums earned) exceeds 20%. This amount so used shall reduce the next subsequent annual release to surplus from the established contingency reserve.

Section 5. A mortgage guaranty insurer shall not at any time have outstanding a total liability, net of reinsurance, in excess of twenty-five times its capital, unassigned funds and contingency reserve. It shall not insure loans secured by properties in a single housing tract or a contiguous tract (not separated by more than one-half mile) in excess of 10% of its capital, unassigned funds and contingency reserve. Coverage may be provided only if the improvement on such real estate is a residential building or buildings designed for occupancy by not more than four families.

Section 6. The case basis method shall be used to determine the loss reserves, which shall include a reserve for claims reported and unpaid and a reserve for claims incurred but not reported.

Section 7. Mortgage guaranty insurance shall be subject to the provisions of KRS 304.625 to 304.644 for the purposes of rate making.

Section 8. All policy forms and endorsements shall be filed with and be subject to the approval of the Commissioner of Insurance. With respect to owner-occupied single family dwellings, the mortgage insurance policy shall provide that the borrower shall not be liable to the insurance company for any deficiency arising from a foreclosure sale.

Section 9. No bank, savings and loan association, insurance company or other lending institution, any of whose authorized real estate securities are insured by mortgage guaranty insurance companies may state in any brochure, pamphlet, report or any form of advertising that the real estate loans of the bank, savings and loan association, insurance company or other lending institution are "insured loans" unless the brochure, pamphlet, report or advertising also clearly states that the loans are insured by private insurers and the names of the private insurers are given and shall not make any such statement at all unless such insurance is by an insurer authorized to write this coverage in this Commonwealth.

SB 139, AN ACT providing a Uniform Acknowledgment Act.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any instrument required to be acknowledged by the laws of this state shall be acknowledged in the manner and form provided by this Act.

Section 2. The acknowledgment of any instrument may be made in this state before:

(1) A Judge of a court of record;

(2) A Clerk or Deputy Clerk of a court having a seal;

(3) A Commissioner or Register (or Recorder) of Deeds;

(4) A Notary Public;

(5) A Justice of the Peace;

(6) A Master in Chancery or Register in Chancery; or

(7) A duly licensed attorney at law.

Section 3. The acknowledgment of any instrument may be made without the state but within the United States or a territory or insular possession of the United States and within the jurisdiction of the officer, before:

(1) A Clerk or Deputy Clerk of any federal court;

(2) A Clerk or Deputy Clerk of any court of record of any state or other jurisdiction;

(3) A Notary Public;

(4) A Commissioner of Deeds; or

(5) Any person authorized by the laws of such other jurisdiction to take acknowledgments.

Section 4. The acknowledgment of any instrument may be made without the United States before:

(1) An Ambassador, Minister, Charge d'Affaires, Counselor to or Secretary of a Legation, Consul General, Consul, Vice-Consul, Com-

mercial Attache, or Consular Agent of the United States accredited to the country where the acknowledgment is made.

(2) A Notary Public of the country where the acknowledgment is made.

(3) A Judge or Clerk of a court of record of the country where the acknowledgment is made.

(5) The officer taking the acknowledgment shall know or have satisfactory evidence that the person making the acknowledgment is the person described in and who executed the instrument.

Section 6. An acknowledgment of a married woman may be made in the same form as though she were unmarried.

Section 7. An officer taking the acknowledgment shall endorse thereon or attach thereto a certificate substantially in one of the following forms:

(1) By Individuals:

State of --

County of --

On this the ----------day of ----------------------, 19----, before me, ------------------------------, the undersigned officer, personally appeared ---------------------------, known to me (or satisfactorily proven) to be the person whose name--------------- subscribed to the within instrument and acknowledged that-------- ----------he ------------------executed the same for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

Title of Officer.

(2) By a Corporation:

State of --

County of --

On this the ---------day of -----------------------, 19----, before me, ------------------------------, the undersigned officer, personally appeared ----------------- who acknowledged himself to be the ____________________________of____________________, a corporation, and that he, as such_________________________, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as _________________________________.

In witness whereof I hereunto set my hand and official seal.

____

____

Title of Officer.

(3) By an Attorney in Fact:
State of ____
County of ____

On this the _________day of _________________________, 19____, before me, _____________________________________, the undersigned officer, personally appeared ____________________, known to me (or satisfactorily proven) to be the person whose name is subscribed as attorney in fact for __________________________, and acknowledged that he executed the same as the act of his principal for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

____

____

Title of Officer.

(4) By any Public Officer or Deputy thereof, or by any Trustee, Administrator, Guardian, or Executor:
State of ____
County of ____

On this the _________ day of __________________, 19____, before me, ____, the undersigned officer, personally appeared ______________________, of the State (County or City as the case may be) of _________________________, known to me (or satisfactorily proven) to be the person described in the foregoing instrument, and acknowledged that he executed the same in the capacity therein stated and for the purposes therein contained.

In witness whereof I hereunto set my hand and official seal.

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Title of Officer.

Section 8. The certificate of the acknowledging officer shall be completed by his signature, his official seal if he has one, the title of his office, and if he is a Notary Public, the date his commission expires.

Section 9. (1) If the acknowledgment is taken within this state or is made without the United States by an officer of the United States no authentication shall be necessary.

(2) If the acknowledgment is taken without this state, but in the United States, or a territory or insular possession of the United States, the certificate shall be authenticated by a certificate as to the official character of such officer, executed, if the acknowledgment is taken by a Clerk or Deputy Clerk of a court, by the presiding judge of the court or, if the acknowledgment is taken by a Notary Public, or any other person authorized to take acknowledgments, by a Clerk of a Court of Record of the County, Parish or District in which the acknowledgment is taken. The signature to such authenticating certificate may be a facsimile printed, stamped, photographed or engraved thereon when the certificate bears the seal of the authenticating officer. A judge or Clerk authenticating an acknowledgment shall endorse thereon or attach thereto a certificate in substantially the following form:

State of --

County of --

I --------------(judge or clerk) of the ----------------- in and for said county, which court is a court of record, having a seal, do hereby certify that ----------------- by and before whom the foregoing (or annexed) acknowledgment was taken, was at the time of taking the same a notary public (or other officer) residing (or authorized to act) in said county, and was authorized by the laws of said state to take and certify acknowledgments in said state, and, further, that I am acquainted with his handwriting and that I believe that the signature to the certificate of acknowledgment is genuine.

In testimony whereof I have hereunto set my hand and affixed the seal of the court this --------- day of ----------------- 19----.

(3) If the acknowledgment is taken without the United States and by a Notary Public or a Judge or Clerk of a Court of Record of the country where the acknowledgment is taken, the certificate shall be authenticated by a certificate under the Great Seal of State of the country, affixed by the custodian of such Seal, or by a certificate of a diplomatic, consular or commercial officer of the United States accredited to that country, certifying as to the official character of such officer. The officer authenticating an acknowledgment shall endorse thereon or attach thereto a certificate in substantially the form prescribed in Section 9 (2).

Section 10. Notwithstanding any provision in this Act contained the acknowledgment of any instrument without this State in compliance with the manner and form prescribed by the laws of the place of its execution, if in a State, a Territory or insular possession of the United States, or in the District of Columbia, verified by the official seal of the officer before whom it is acknowledged, and authenticated in the manner provided by Section 9 subsection (2) hereof, shall have the same effect as an acknowledgment in the manner and form prescribed by the laws of this State for instruments executed within the State.

Section 11. In addition to the acknowledgment of instruments in the manner and form and as otherwise authorized by this Act, persons serving in or with the armed forces of the United States or their dependents, wherever located, may acknowledge the same before any commissioned officer in active service of the armed forces of the United States with the rank of Second Lieutenant or higher in the Army, Air Force, or Marine Corps, or Ensign or higher in the Navy or Coast Guard. The instrument shall not be rendered invalid by the failure to state therein the place of execution or acknowledgment. No authentication of the officer's certificate of acknowledgment shall be required but the officer taking the acknowledgment shall indorse thereon or attach thereto a certificate substantially in the following form:

On this the --------- day of ---------------, 19----, before me, ----------------------------------, the undersigned officer, personally appeared -------------------, Serial No. -------------
(if any)
known to me (or satisfactorily proved) to be (serving in or with the armed forces of the United States) (a dependent of ------------ ---------------------------, Serial No. ----------------, a person
(if any)

serving in or with the armed forces of the United States) and to be the person whose name is subscribed to the within instrument and acknowledged that ------------------ he ------------------ executed the same for the purposes therein contained. And the undersigned does further certify that he is at the date of this certificate a commissioned officer of the rank stated below and is in the active service of the armed forces of the United States.

Signature of the Officer

Rank and Serial No. of Officer
and Command to which attached.

Section 12. No acknowledgment heretofore taken shall be affected by anything contained herein.

Section 13. This Act shall be so interpreted as to make uniform the laws of those states which enact it.

Section 14. This Act may be cited as the Uniform Acknowledgment Act.

Section 15. Section 379.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The deed of assignment shall be acknowledged by the assignor in the [same] manner *provided in the Uniform Acknowledgment Act,* [as other deeds] and shall be recorded in the county clerk's office of the county where the assignor resides, where the business in respect to which the deed is made is carried on, and in each county where a tract of land or the greater part thereof conveyed by the deed is situated.

(2) The deed shall vest in the assignee title to all the property, real and personal, with all deeds, books and papers relating thereto belonging to the assignor at the time of making the assignment, except property exempt by law which shall not pass unless embraced in the deed. The intent of the assignor in making the assignment, whether appearing upon the face of the deed or otherwise, shall not invalidate the deed, unless he is solvent and it appears that the assignment was made to hinder or delay creditors.

(3) The assignor shall, within five days from the day upon which the deed is lodged for record, file for record in the county where the assignee qualifies a schedule under oath, setting forth the

general nature and full value of the property assigned, together with a list of his creditors, their post office address, the amount due each and whether secured by lien or not.

Section 16. Section 382.090 of the Kentucky Revised Statutes is amended to read as follows:

Any option or offer to sell real or other property, or any interest therein, when acknowledged *in accordance with the provisions of the Uniform Acknowledgment Act,* or proven as deeds are required to be, may be recorded in the county in which the property is situated, in the same offices in which deeds are recorded, and in a separate book kept for that purpose, and the record of all such recorded options or offers to sell, shall, from the time of lodging them for record, be notice of such contracts to all persons.

Section 17. Section 382.100 of the Kentucky Revised Statutes is amended to read as follows:

Any contract for the sale of real property or any interest therein, when acknowledged *in accordance with the provisions of the Uniform Acknowledgment Act* or proven as deeds are required to be, may be recorded in the county in which the property is situated, in the same offices and books in which deeds are recorded, and the record of any such contract recorded shall, from the time of lodging the contract for record, be notice of the contract to all persons.

Section 18. Section 382.130 of the Kentucky Revised Statutes is amended to read as follows:

Deeds executed in this state may be admitted to record:

(1) On the acknowledgment, *as provided in the Uniform Acknowledgment Act,* [before the proper clerk,] by the party making the deed;

(2) By the proof of two subscribing witnesses, or by the proof of one subscribing witness, who also proves the attestation of the other;

(3) By the proof of two witnesses that the subscribing witnesses are both dead; and also like proof of the signature of one of them and of the grantor;

(4) By like proof that both of the subscribing witnesses are out of the state, or that one is so absent and the other is dead; and also like proof of the signature of one of the witnesses and of the grantor; or

(5) On the certificate of *any person authorized to take acknowledgments under the Uniform Acknowledgment Act,* [a county clerk of this state, or any notary public,] that the deed has been acknowl-

edged before him by the party making the deed or proved before him in the manner required by subsection (2), (3) or (4).

Section 19. Section 382.140 of the Kentucky Revised Statutes is amended to read as follows:

Deeds executed out of this state and within the United States or any of its dependencies may be admitted to record when certified *by any person authorized to take acknowledgments under the Uniform Acknowledgment Act,* [, under the seal of his office or court, by a judge, clerk or deputy clerk of a court, or by a notary public, mayor of a city, secretary of state, commissioner authorized to take acknowledgment of deeds or justice of the peace,] to have been acknowledged or proved before him in the manner required by KRS 382.130.

Section 20. Section 382.150 of the Kentucky Revised Statutes is amended to read as follows:

Deeds not executed within the United States or any of its dependencies, may be admitted to record when certified *by any person authorized to take acknowledgments under the Uniform Acknowledgment Act,* [under his seal of office, by any foreign minister, officer in the consular service of the United States, secretary of legation of the United States, or by the secretary of foreign affairs or a notary public of the nation in which the acknowledgment is made, or by the judge or clerk of a superior court of the nation where the deed is executed,] to have been acknowledged or proven before him in the manner prescribed by law.

Section 21. Section 382.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) Where the acknowledgment of a deed is taken by an officer of this state, or by an officer residing out of this state, he *shall, according to the provisions of the Uniform Acknowledgment Act,* [may simply] certify that it was acknowledged before him. [and when it was done.]

(2) Where a deed is proved by persons other than the subscribing witnesses, the officer shall state the name and residence of each such person in his certificate.

Section 22. Section 382.300 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every county clerk shall record all deeds, mortgages and powers of attorney that are lodged for record, properly certified, or that are acknowledged *in accordance with the provisions of the Uniform Acknowledgment Act,* or proved before him as required

by law. He shall also record the certificates endorsed on such instrument, and shall certify the time when the instrument was lodged in his office for record. If acknowledged or proved before him, he shall also certify the time of acknowledgment or proof, and by whom proved, and that the instrument and the certificate thereon have been duly recorded in his office.

(2) Whenever, either heretofore or hereafter, any recordable instrument of writing bearing the certificate of the clerk showing its recording shall have been copied of record by any photographic, photocopying, or other mechanical process for reproducing on the record the instrument and certificate, the clerk's signature, by either the clerk or his deputy, so reproduced with such certificate shall have the same effect as if subscribed by the clerk on the record.

Section 23. Section 382.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) Mortgages executed by corporations, organized under the laws of Kentucky, authorized to operate railroads, motor transportation lines, electric light, heat and power plants, water plants, telegraph and telephone lines, which cover rights of way, franchises, pipe lines, pole lines, easements, railroad tracks, engines, cars, motor equipment or any tangible personal property shall be duly acknowledged, *according to the provisions of the Uniform Acknowledgment Act,* [as required by law] and recorded as mortgages on real estate are required to be recorded in the county in which the principal office of the corporation is located.

(2) If the mortgage covers other real property in addition to rights of way, franchises, pipe lines, pole lines, easements, railroad tracks, engines, cars, motor equipment or tangible personal property, then the mortgage shall also be recorded in each county in which such other real property used as rights of way other than rights of way for pole lines is located.

(3) When such mortgage is lodged for record, as herein provided, it shall be effective against purchasers for a valuable consideration without notice and against creditors as defined in KRS 382.270.

Section 24. Section 382.370 of the Kentucky Revised Statutes is amended to read as follows:

Powers of attorney to convey or release real or personal property, or any interest therein, *shall* [may] be acknowledged, *according to the provisions of the Uniform Acknowledgment Act, or may be* proved and recorded in the proper office, in the manner prescribed for recording conveyances. If the conveyance made under a power, is required by law to be recorded or lodged for record, to make the same valid against creditors and purchasers, then the power must be lodged or recorded in like manner, and no such power so recorded shall be deemed to be revoked by any act of the party by whom it was executed, except from the time when there has been lodged for record in the office in which the power is recorded a written revocation, executed and proved or acknowledged in the manner prescribed for conveyances, or a memorandum of revocation made on the margin of the record thereof, which memorandum is signed by the party executing the same, and attested by the clerk.

Section 25. Section 382.380 of the Kentucky Revised Statutes is amended to read as follows:

If a deed of trust or mortgage is made to a trustee or to a mortgagee to secure the payment of bonds or other obligations to be issued thereafter, the grantor in the deed of trust or the mortgagor in the mortgage, when or before such additional bonds or other obligations are issued, shall cause to be recorded in the office of the county clerk of the county in which such deed of trust or mortgage was first recorded, a statement by the grantor or the mortgagor acknowledged *according to the provisions of the Uniform Acknowledgment Act,* [as deeds are required to be acknowledged,] setting forth the amount, the date, the maturity and the description of such additional obligations, and until such statement is so lodged for record no such bonds or other obligations shall be issued by the grantor or the mortgagor or certified by the trustee.

Section 26. Section 392.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) When a husband or wife dies testate, the surviving spouse may, though under full age, release what is given to him or her by will, if any, and receive his or her share under KRS 392.020 as if no will had been made, except that in such case the share in any real estate of which the decedent or anyone for the use of the decedent was seized of an estate in fee simple at the time of death shall be only an estate for the surviving spouse's life in one-third of such real estate. Such relinquishment shall be made within twelve months after the probate, and acknowledged before *any person authorized to take acknowledgments under the Uniform Acknowledgment Act,* and left for record with the clerk of the court where probate was made, or acknowledged before a subscribing witness and proved before and left with the clerk. If, within those twelve months, an appeal is taken from the judgment probating the will, the surviving spouse need not make such relinquishment until within the twelve months succeeding the time when the appeal is disposed of.

(2) Subsection (1) does not preclude the surviving spouse from receiving his or her share under KRS *392.020* [392.202] in addition

to any bequest or devise to him or her by will, if such is the intention of the testator, plainly expressed in the will or necessarily inferable from the will.

Section 27. Section 404.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) A married woman may acquire and hold property, real and personal, by gift, devise or descent, or by purchase, and may, in her own name, as if she were unmarried, sell and dispose of her personal property. She may make contracts, and sue and be sued, as a single woman, but may not make an executory contract to sell or convey or mortgage her real estate, unless her husband joins in the contract. She may rent out her real estate, and collect, receive and recover in her own name the rents thereof, and make contracts for the improvement thereof.

(2) A gift, transfer or assignment of personal property between husband and wife shall not be valid as to third persons, unless it is in writing, and acknowledged, *in accordance with the provisions of the Uniform Acknowledgment Act,* and recorded as chattel mortgages are required to be [acknowledged and] recorded; but the recording of any such writing shall not make valid any such gift, transfer or assignment that is fraudulent or voidable as to creditors or purchasers.

Section 28. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Instruments may be acknowledged, documents attested, oaths and affirmations administered, depositions and affidavits executed and other such official acts performed before any person authorized to take acknowledgments under the Uniform Acknowledgment Act by any member of the armed forces of the United States.

(2) The procedures contained in the Uniform Acknowledgment Act shall govern in all respects the performance of any of the official acts enumerated in subsection (1) of this Section.

Section 29. Section 427.100 of the Kentucky Revised Statutes is amended to read as follows:

No mortgage, release or waiver of an exemption granted by KRS 427.060 shall be valid unless it is in writing, subscribed by the defendant and his wife, and acknowledged and recorded in the [same] manner *prescribed in the Uniform Acknowledgment Act.* [as conveyances of real estate.] The exemption in favor of an execution debtor or one against whom judgment has been rendered shall continue after the debtor's death for the benefit of his widow and children, but shall be estimated in allotting dower.

Section 30. Sections 382.170, 382.250 and 384.080 of the Kentucky Revised Statutes are repealed.

SB 140, AN ACT providing a Uniform Testamentary Additions to Trust Act.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A devise or bequest, the validity of which is determinable by the law of this state, may be made by a will to the trustee or trustees of a trust established or to be established by the testator or by the testator and some other person or persons or by some other person or persons, including a funded or unfunded life insurance trust, although the trustor has reserved any or all rights of ownership of the insurance contracts, if the trust is identified in the testator's will and its terms are set forth in a written instrument, other than a will, executed before or concurrently with the execution of the testator's will or in the valid last will of a person who has predeceased the testator. The devise or bequest shall not be invalid because the trust is amendable or revocable, or both, or because the trust was amended after the execution of the will or after the death of the testator. Unless the testator's will provides otherwise, the property so devised or bequeathed (a) shall not be deemed to be held under a testamentary trust of the testator but shall become a part of the trust to which it is given and (b) shall be administered and disposed of in accordance with the provisions of the instrument or will setting forth the terms of the trust, including any amendments thereto made before the death of the testator, regardless of whether made before or after the execution of the testator's will, and, if the testator's will so provides, including any amendments to the trust made after the death of the testator. A revocation or termination of the trust before the death of the testator shall cause the devise or bequest to lapse.

Section 2. This Act shall have no effect upon any devise or bequest made by a will executed prior to the effective date of this Act.

Section 3. This Act shall be so construed as to effectuate its general purpose to make uniform the law of those states which enact it.

Section 4. This Act may be cited as the Uniform Testamentary Additions to Trusts Act.

SB 142, AN ACT to provide for the safety of life, limb, and property, and to empower the Commissioner of Public Safety to formulate and enforce a set of reasonable safety rules. Such rules shall apply to the use of safe materials, safe design, safe construction procedure, safe installation, and safe repairs of any boiler or hot water heating boiler in the State of Kentucky, as hereinafter set forth. It shall provide also for the following:

1. Examination, appointment and suspension of Boiler Inspectors.
2. Inspection of boilers.
3. Safety against gaseous explosions.
4. Fees to be charged for such inspectors.
5. Reports of inspection to the Commissioner.
6. Inspection Certificates.
7. Appeals.
8. Penalties for violations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be known and may be cited as the Boiler Safety Act, and, except as otherwise provided herein, shall apply to all boilers and hot water supply boilers or water heaters as hereinafter described.

As used in this Act, (1) "Boiler" or "boilers" shall mean and include steam or vapor boilers and hot water heating boilers;

(2) "Commissioner" means the Commissioner of Public Safety;

(3) "Department" means the Department of Public Safety;

(4) "ASME" means American Society of Mechanical Engineers.

Section 2. (1) The Commissioner of the Department of Public Safety shall formulate and enforce a reasonable and safe set of safety rules. It is the intent of this law that these rules shall apply to the materials, the safe design, construction procedure, installation, inspection and repair of any boiler or hot water heating boiler for use in the State of Kentucky as hereinafter set forth. Any boiler, hot water heating boiler, or unfired pressure vessel constructed strictly to the ASME Code shall be construed as safe design.

(2) There is created in the Department of Public Safety an Advisory Board composed of four members, in addition to the Commissioner, to render technical and practical advice to the Commissioner. The Commissioner shall serve on this Board as a chairman. These four members of the Advisory Board shall be selected by the Commissioner, and shall be approved and appointed by the Governor. Of these Advisory Board members, one shall be appointed for a term of two years, one for a term of three years, and two for a term of four years. At the expiration of their respective terms of

office, they or their successors identifiable with the same interest respectively as hereinafter provided, shall be appointed for terms of four years each.

(3) Qualifications for the four members of the Advisory Board. Of these four appointed members, one shall be a practical steam operating engineer of high pressure boilers, or any other representative or owners and users of high pressure boilers within the State, one shall be an engineer or officer, with at least 10 years of experience, of a boiler manufacturer within the State, one shall be a boiler inspector for a boiler insurance company licensed to do business within the state, one shall be a licensed mechanical engineer on the faculty of a recognized engineering college within the State, or a graduate licensed mechanical engineer. The Board shall meet at least once each year at the Capitol or other place designated by the Commissioner.

(4) Upon the recommendation of the Commissioner, the Governor may at any time remove any member of the Advisory Board for inefficiency or neglect of duty in office. Upon the death or incapacity of any member, the Commissioner may appoint a new member, which must be approved and appointed by the Governor, to fill the vacancy for the remainder of the vacated term with the new member to be of the same interest with which his predecessor was identified.

The Commissioner has the right to decide when a vacancy may exist in fact.

(5) The Commissioner may call a meeting of the Advisory Board at any time he deems necessary.

(6) The members of the Advisory Board shall serve without salary.

Section 3. After reasonable notice and after a public hearing, the Commissioner must first get the approval of the Attorney General, and then the approval of the Governor, for any rule or amendment of an existing rule, as set forth in Section 2.

Section 4. (1) No boiler which does not conform to the rules and regulations as herein set forth shall be installed or operated in this State after twelve months from the date this Act shall become effective.

(2) Any steel boiler or steel hot water storage tank, hereinafter called vessels, installed and in use in the State of Kentucky prior to the effective date of this law, and not constructed to the ASME Code, shall be tested by a qualified State Boiler Inspector in accordance with the following rule. Such vessel shall be tested with a hydro-

static pressure at 200% of the actual working pressure of the vessel. If such vessel withstands the passes such hydrostatic test, then such vessel shall be assigned a Kentucky number. This number shall be stamped on the shell, together with the permitted working pressure. Such vessel shall be permitted to continue in operation for the designated working pressure stamped on the vessel.

Section 5. (1) The maximum allowable working pressure of a boiler carrying the ASME Code symbol shall be determined by the applicable sections of the codes under which it was constructed and stamped.

(2) This Act shall not be construed as in any way preventing the use or sale of a boiler referred to in this section, provided it has been made to conform to the rules and regulations as set forth or the rules of the Department governing existing installation, and provided, further, it has not been found upon inspection to be in an unsafe condition.

Section 6. (1) This Act shall not apply to boilers under Federal control.

(2) This Act shall not apply to the following boilers:

(a) Boilers located on farms and used solely for agricultural purposes;

(b) Steam or vapor boilers used for heating purposes carrying a pressure of not more than 15 pounds per square inch gauge, and which are located in private residences or in apartment houses of less than six families;

(c) Hot water supply boilers except as set forth in Section 16.4;

(d) Hot water heating boilers carrying a pressure of not more than 30 pounds per square inch gauge;

(e) Process boilers employing any chemical as the ebullient other than water.

Section 7. The Department shall employ Boiler Inspectors who shall have had at the time of appointment not less than five years practical experience in the construction, repair or operation of high pressure boilers and unfired pressure vessels or as a mechanical engineer or boiler inspector, two years of which may have been spent as a practical steam operating engineer or as a boiler maker, and who shall have passed the examination provided for in Section 9 of this Act.

Section 8. (1) In addition to the Boiler Inspectors authorized by Section 7 of this Act, the Department may, in its discretion, upon the request of any company authorized to insure against loss from explosion of boilers in this state, issue to any boiler inspectors of said company commissions as Special Boiler Inspectors, provided that each such Special Boiler Inspector before receiving such commission, shall satisfactorily pass the examination provided for in Section 9 of this Act, or, in lieu of such examination, shall hold a Commission of Competency as an inspector of boilers for a state that has a standard of examination substantially equal to that of this Commonwealth or a Commission as an inspector of boilers issued by the National Board of Boiler and Pressure Vessel Inspectors.

(2) Such Special Boiler Inspectors shall receive no salary from, nor shall any of their expenses be paid by, the State and the continuance of a Special Boiler Inspector's Commission shall be conditioned upon his continuing in the employ of a boiler insurance company duly authorized as aforesaid and upon his maintenance of the standards imposed by this Act.

(3) Such Special Boiler Inspectors shall inspect all boilers insured by their respective companies, and, when so inspected, the owners and users of such insured boilers shall be exempt from the payment to the State of the inspection fees as provided for in Sections 12 and 14 of this Act.

(4) Each company employing such Special Boiler Inspectors shall within thirty days following each internal boiler inspection made by such inspectors, file a report of such inspection with the Department upon appropriate forms prescribed by the Department. Reports of external inspections shall not be required except when such inspections disclose that the boiler is in a dangerous condition.

(5) Inspectors, whether employees of the Department or Special Inspectors, shall have free access, during reasonable hours, to any premises in the state where a boiler is being constructed or is being installed, for the purpose of ascertaining whether such boiler is constructed and installed in accordance with the law, and any orders, rules or regulations in existence at that time.

Section 9. Examinations for Boiler Inspectors or Special Boiler Inspectors shall be in writing and shall be given by the Department of Safety at the direction of the Commissioner. The record of an applicant's examination shall be accessible to said applicant and his employer.

Section 10. A person whose appointment or commission has been suspended in accordance with Section 18, Rule 9.1 shall be entitled to apply, after ninety days from the date of such suspension, for reinstatement of such appointment or commission.

Section 11. (1) On and after January 1, 1963, each boiler used or proposed to be used within this state, except boilers exempt under Section 6 of this Act, shall be thoroughly inspected as to their construction, installation and condition as follows:

(a) Power boilers, meaning boilers operating at steam or vapor pressures in excess of 15 pounds per square inch gauge, shall be inspected annually both internally and externally while not under pressure and shall also be inspected annually externally while under pressure if possible; the Commissioner or his inspector is to determine whether or not such external inspections are possible with the equipment under pressure.

(b) Low pressure steam or vapor heating boilers, hot water heating boilers shall be inspected both internally and externally biennially where construction will permit; the Commissioner or his inspector is to determine whether or not the construction will permit an inspection.

(c) An additional period of grace of two months beyond the periods specified in subdivisions (a) and (b) of this Section may elapse between inspections.

(d) The Department may at its discretion permit longer periods between inspections.

(2) The inspections herein required shall be made by a Boiler Inspector or by a Special Boiler Inspector provided for in this Act.

(3) If at any time the Commissioner or his inspector may deem that a hydrostatic test shall become necessary, same shall be made, at the discretion of the inspector, by the owner or user thereof.

(4) All boilers to be installed in this state after the twelve months period from the date upon which the rules and regulations of the Department shall become effective, shall be inspected during construction as required by the applicable rules and regulations of the Department by a Boiler Inspector authorized to inspect boilers in this state, or by an inspector of boilers for a state that has a standard of examination substantially equal to that of this state as provided in Section 9 or in accordance with Sections 14 and 15.

Section 12. (1) If, upon inspection, a boiler is found to comply with the rules and regulations of this Act and/or the Department, the owner or user thereof shall pay directly to the Boiler Inspector the sum of two dollars ($2.00) and the Boiler Inspector, or his duly authorized representative, shall issue to such owner or user an Inspection Certificate bearing the date of inspection and specifying the maximum pressure under which the boiler may be operated. Such Inspection Certificate shall be valid for not more than fourteen months from its date in the case of power boilers, and twenty-six months in the case of low pressure steam or vapor heating boilers and hot water heating boilers.

(2) No Inspection Certificate issued for an insured boiler inspected by a Special Boiler Inspector shall be valid after the boiler for which it was issued shall cease to be insured by a company duly authorized by this state to carry such insurance.

(3) The Commissioner or his authorized representative may at any time suspend an Inspection Certificate when, in his opinion, the boiler for which it was issued, cannot be operated without menace to the public safety, or when the boiler is found not to comply with the rules and regulations herein provided. A Special Boiler Inspector shall have corresponding powers with respect to Inspection Certificates for boilers insured by the company employing him. Such suspension of an Inspection Certificate shall continue in effect until such boiler shall have been made to conform to the rules and regulations of the Dept., and until said Inspection Certificate shall have been reinstated.

Section 13. After twelve months following the date on which this Act becomes effective, it shall be unlawful for any person, firm, partnership, or corporation to operate in this state a boiler under pressure without a valid Inspection Certificate. The operation of a boiler without such Inspection Certificate, or at a pressure exceeding that specified in such Inspection Certificate, shall constitute a misdemeanor on the part of the owner, user or operator thereof and shall be punishable by a fine not exceeding five hundred dollars, or imprisonment not to exceed three months, or both, at the discretion of the court. Each day of such unlawful operation shall be deemed a separate offense.

Section 14. (1) The owner or user of a boiler required by this Act to be inspected shall pay directly to the Boiler Inspector, upon completion of inspection, fees in accordance with the following schedule:

(a) Power Boilers:

INTERNAL INSPECTIONS

Boilers of less than 50 sq. ft. of heating surface	$ 5.00
Boilers over 50 sq. ft. of heating surface and less than 4,000 sq. ft. of heating surface	$12.00
Boilers over 4,000 sq. ft. of heating surface and less than 10,000 sq. ft. of heating surface	$15.00
Boilers over 10,000 sq. ft. of heating surface	$20.00

EXTERNAL INSPECTIONS

Boilers of less than 50 sq. ft. of heating surface	$ 3.00
Boilers over 50 sq. ft. of heating surface	$ 5.00

Not more than the equivalent of the internal and external inspection fees shall be charged or collected for any and all inspections as above of any boiler in any one year.

(b) Low Pressure Boilers:

Inspection of heating boilers without a manhole	$ 5.00
Inspection of heating boilers with a manhole	$10.00

Not more than one fee shall be charged or collected for any and all inspections as above of any low pressure boiler in any two year period.

(c) Hydrostatic Tests:

When it is necessary to make a special trip to witness the application of a hydrostatic test, an additional fee based on the scale of fees applicable to an internal inspection of the boiler shall be charged.

(d) All other inspections as may be determined by the Commissioner, including shop inspections and inspection of second-hand or used boilers made by the Boiler Inspector shall be charged for at the rate of not less than twenty-five dollars for one-half day of four hours, and forty dollars for one full day of eight hours, plus all reasonable expenses.

(e) Any factory or boiler repair shop who holds a certificate of authorization from ASME and whose shop equipment and procedure have been or are certified by ASME or an insurance company as herein described, for construction or repair of power boilers, or heating boilers, or underfired pressure vessels, and who employs the regular inspection services of an insurance inspection company and their qualified inspector or inspectors shall be acceptable to the Commonwealth of Kentucky in lieu of Section 14, Paragraph (d), and shall also be acceptable as complying with Section 2 (1) for construction procedure. When such boilers and vessels are constructed, inspected and stamped in accordance with Section 16 of this Act, it shall be deemed as complying with Section 14, Paragraph (d). Any and all expense in connection with such insurance company inspection service shall be borne by said factory or boiler shop and such factory or boiler shop will not be required to pay fees to Commonwealth of Kentucky as set forth in Section 14, Paragraph (d).

The fees paid to the State of Kentucky for internal and external inspection of vessels may be lowered or raised upon recommendation of the Advisory Board, recommendations of the Commissioner, approved by the Attorney General, and approved by the

Governor, as may be necessary from time to time, to cover expenses incurred to formulate and enforce the rules and regulations of this Act.

(2) The Boiler Inspector shall deposit all fees so received with the Department, to be held in a revolving fund from which the expenses of administering this Act may be paid.

Section 15. (1) The Boiler Inspectors shall furnish a bond in the sum of five thousand dollars ($5,000.00) each, conditioned upon the faithful performance of their duties and upon a true account of moneys handled by them respectively and the payment thereof to the proper recipient. The cost of said bonds shall be paid by the Department.

(2) Any person aggrieved by an order or act of a Boiler Inspector, under this Act may, within fifteen days of notice thereof, appeal from such order or act to the Commissioner who shall, within thirty days thereafter, hold a hearing, after having given at least ten days' written notice to all interested parties. The Commissioner shall, within thirty days after such hearing, issue an appropriate order either approving or disapproving said order or act. A copy of such order shall be given to all interested parties.

Section 16. Boilers installed in the State of Kentucky after the effective date of this Act shall be deemed to comply with this Act if constructed, inspected and stamped by a competent inspector as set forth in Section 14, Paragraph (e) except as exempted in Section 6:

(1) Any boilers operating at a pressure more than 15 pounds per sq. inch as set forth in Section I, Power Boilers, of the ASME Boiler and Pressure Vessel Code of ASME;

(2) Any steam boiler or vapor boiler or hot water heating boiler as set forth in Section IV of the Low Pressure Heating Boiler ASME Boiler and Pressure Vessel Code of ASME;

(3) Any unfired pressure vessel as set forth in Section VIII of the ASME Boiler and Pressure Vessel Code of ASME;

(4) Any hot water supply boilers or water heaters, in buildings owned or operated by the State of Kentucky, any county in the State of Kentucky, or any city in the State of Kentucky as set forth in Section IV of the Low Pressure Heating Boiler ASME Boiler and Pressure Code of ASME. Such hot water heating boilers and/or water heaters shall also be subject to Section 18, Rule 5.7.

AUTHORITY TO INSPECT STEAM BOILERS AND OTHER PRESSURE VESSELS

Section 17. Rule 1.1 Certificate of competency and commission.

A boiler inspector desiring to inspect and report on the construction of a steam boiler for use in the State of Kentucky or on the physical condition of one being operated in the State shall first apply to the Department of Public Safety for a certificate of competency and a commission as provided for in Sec. 8.

Rule 1.2 Special inspectors.

Upon application of any insurance company authorized to write boiler insurance in this state or any municipality having an equivalent authorized boiler inspection department, the commissioner shall issue to inspectors employed by such companies or municipalities, commissions as special inspectors, provided the inspectors have passed the written examination and hold a certificate of competency as set forth in Section 8, or an equivalent examination such as is given the inspectors employed by an insurance company writing boiler insurance.

Rule 1.3 Boilers which are to be inspected by special inspectors and reports required.

Special inspectors shall inspect all boilers insured by their respective companies or boilers covered by municipal ordinance and the commissioner and filed within 30 days of the date of each such inspection.

Section 18. DUTIES OF INSPECTORS

Rule 2.1 Reporting of violations.

Inspectors shall see that these rules and regulations are complied with and that all violations are incorporated in their reports of inspection to the Department of Public Safety.

Rule 2.2 Boiler inspection reports, neglect.

It is the duty of a commissioned inspector to provide the Commissioner of Public Safety with a report of inspection covering his internal and external inspection of any steam boiler that is inspected; and further, it is the duty of a commissioned inspector to promptly report to the Commissioner of Public Safety any neglect of steam boiler users failing to keep boilers and appurtenances safe and in proper condition. When such conditions are found it shall be the duty of the Department of Public Safety to enforce the regulations.

INSPECTIONS REQUIRED

Rule 3.1 Power and process steam boilers.

Power and process steam boilers shall be inspected regularly internally at least every 12 months. An external inspection shall be made annually, approximately 6 months from the date of the internal inspection.

Rule 3.2 Low pressure heating boilers.

All low pressure heating boilers shall be inspected both internally and externally biennially where construction will permit.

Rule 3.3 Waiver of required internal inspection.

The required annual internal inspection may be waived provided complete details are submitted to the Department of Public Safety and approval is obtained from the Commissioner of Public Safety.

INSURANCE COMPANIES

Rule 4.1 Insurance inspector commissions.

Every boiler inspector and insurance company authorized under the laws of the State of Kentucky to insure steam boilers within the State shall be permitted to inspect boilers under these rules and regulations when holding valid commissions for their inspectors. These commissions shall be retained by the insurance company and shall be immediately returned to the Commissioner of Public Safety with a termination of employment notice when an inspector ceases to be employed by said company.

OWNERS AND USERS

Rule 5.1 Regular inspection.

All boilers coming under the provisions of these regulations shall be inspected internally and externally as required in Section 18, Rule 3.1 of these regulations.

Rule 5.2 New installations.

By a new installation it is meant the installation of a new or used boiler. Owners and users of steam boilers are required to have all new boilers constructed and installed in strict conformity with these rules and regulations. All used boilers must first be inspected by a commissioned boiler inspector and the boiler approved by reinstallation. No new or used boiler may be placed in operation until its installation has been approved for operation by a commissioned boiler inspector.

Rule 5.3 Authority to sell or install second-hand boilers.

No person, firm or corporation shall sell for use in the State of Kentucky or install any second-hand boiler for use in the State of Kentucky as a steam boiler without authorization from the Commissioner of Public Safety.

Rule 5.4 Permit to install or alter steam boilers.

No person, or anyone acting in behalf of said person having control of management of any building, structure, or premises, shall install any steam boiler, or alter any steam boiler in a manner which will materially affect the structural strength of the boiler, without first securing a permit for the installation or alteration from the boiler division of the Department of Public Safety.

Rule 5.5 Air for combustion.

Owners and users are required to provide a permanent vent from the atmosphere which cannot be closed, into boiler rooms, to provide adequate air for proper combustion.

Rule 5.6 (a) Explosion relief door.

No oil fired or gas fired boiler with a heat input of 500,000 B.T.U. per hour or more shall be installed after the effective date of this Act unless it is equipped with an adequate explosion relief door. The area of such explosion relief door shall be computed on the following basis:

This door shall have a minimum area of 14 square inches per cubic foot of volume of all flue passages and chambers from the burner of the flue outlet. This relief door and area shall be in addition to the flue outlet. The door shall be self closing by gravity, and shall not weigh more than 16 pounds per square foot of relief, including metal, insulation and refractory materials. (Thus, the inertia factor will not allow destructive pressure build up.) Rule 5.6 (b) No oil fired or gas fired boiler with a heat input of more than 5,000 B.T.U. per hour or more shall be installed in the State of Kentucky after the effective date of this Act unless such boiler is equipped with complete electronic controls with an instantaneous fuel shut-off in event of pilot failure. Any such boiler operating with all on and all off fire shall be equipped with electronic controls so that the boiler receives a full 30 second prepurge of the combustion chamber before spark ignition or admittance of fuel to the pilot or main burner or burners.

Rule 5.7 No oil or gas fired hot water supply boiler, as covered in

Section 16, (4), shall be installed in the State of Kentucky after the effective date of this Act unless it or they comply with the following conditions:

(1) All hot water supply boilers or hot water heaters with an hourly B.T.U. input of 300,444 or more shall be equipped with an instantaneous electronic fuel shut-off of the main burner or burners in event of pilot failure.

(2) Where several hot water supply boilers or water heaters are hooked up to one hot water storage tank, then the tank shall comply with the ASME Code as set forth in Section 16 (4) and each water heater shall also be constructed to the ASME Code as set forth in Section 16 (4). Under these conditions each water heater shall comply also with Section 18, Rule 5.7, Paragraph (1).

(3) In any commercial or retail establishment any hot water storage tank shall be constructed to comply with the ASME Code as set forth in Section 16, (4). Each water heater connected to such

storage tank shall comply with the ASME Code as set forth in Section 16, (4). And, on such installations where more than one water heater, with an input of 300,000 B.T.U. or more are installed or connected to said storage tank, then each water heater must be equipped with an instantaneous electronic fuel shut-off.

INSPECTION CERTIFICATES

Rule 6.1 Validity and posting of inspection certificates.

If, upon inspection as provided for herein, a boiler is found to comply with the rules and regulations, the Commissioner of Public Safety shall issue to such owner or user an inspection certificate bearing the date of inspection and specifying the maximum pressure under which the boiler may be operated. Such inspection certificate shall be valid for not more than 60 days beyond time specified in Section 18, Rule 3.1. Certificates shall be posted under glass in the room containing the boiler, or in the case of a portable boiler, it shall be placed in a metal container to be fastened to the boiler, or to be kept in a tool box accompanying the boiler.

Rule 6.2 Insured boilers.

No inspection certificate issued for an insured boiler inspected by a special inspector shall be valid after the boiler for which it was issued, shall cease to be insured by a company duly authorized by this state to carry such insurance.

CERTIFICATES OF COMPETENCY OF BOILER INSPECTORS

Rule 7.1 Experience required to apply for examination.

Certificates of competency as inspectors of steam boilers shall be issued to persons who pass an examination as to their knowledge of the construction, installation, maintenance, and repair of steam boilers and their appurtenances. Applicants for examination shall have had at least 3 years practical experience in the design, construction, or operation of high pressure boilers, as mechanical engineer, steam engineer or boiler maker, or shall have had at least 3 years experience as an inspector of high pressure boilers. A credit of 2 years of the required experience will be given to applicants holding an engineering degree from a recognized college of engineering.

Rule 7.2 Applications for examination.

Applications for an examination for a certificate of competency shall be in writing upon a form to be furnished by the Commissioner of Public Safety, stating the school education of the applicant, a list of his employers, his period of employment and position held with such employer.

Rule 7.3 Place and time of examination.

Examinations for certificates of competency shall be held at the office of the Commissioner of Public Safety, or at any location to be selected by the Commissioner, 4 times each year, namely, the first Wednesday in March, June, September, and December.

COMMISSIONS

Rule 8.1 Commissions.

Commissions authorizing the holder of a certificate of competency to inspect and report on steam boilers shall be issued only to those persons holding a certificate of competency approved by the Commissioner of Public Safety and employed by an insurance company licensed to do business with the State or by a municipality or department of the State having an authorized boiler inspection department.

Rule 8.2 Reciprocal commissions.

Reciprocal commissions will be issued to inspectors employed by boiler insurance companies authorized to do business in this state provided the inspector holds a commission or certificate of competency as inspector of steam boilers for a state that has a standard of examination substantially equal to that of the State of Kentucky and provided that he submits with his application for commission a photostatic copy of his commission or certificate of competency.

SUSPENSION OR REVOCATION OF CERTIFICATES OF COMPETENCY AND COMMISSIONS

Rule 9.1 Suspension, revocation, hearings.

The inspector's commission and certificate of competency shall be suspended or revoked by the Commissioner of Public Safety for incompetency or untrustworthiness or for willful falsification of any matter or statement contained in his application for a certificate of competency or in a report of any inspection. This revocation will not, however, be made effective until the inspector is first granted a hearing to show cause why the inspector's certificate of competency and commission should not be revoked. The Commissioner of Public Safety shall revoke the inspector's certificate of competency and commission if in his opinion it is revealed that the inspector is guilty of any one of the three previously mentioned causes for revocation or if in his opinion the inspector is no longer qualified to hold his commission or certificate of competency, and his decision shall be final.

MANUFACTURERS DATA REPORTS

Rule 10.1 Evidence of code construction required.

All steam boilers for use in the State of Kentucky shall be constructed in accordance with the rules and regulations herein provided for. As evidence and record of such construction, the following procedure is necessary:

Rule 10.2 Manufacturer's responsibility to provide signed data reports.

The manufacturer must provide the Commissioner of Public Safety with manufacturers data reports. This data sheet together with the stamp on the boiler shall be the record denoting that the boiler has been constructed in accordance with these rules and regulations signed by an authorized inspector.

STAMPING

Rule 11.1 Kentucky serial number; steel boilers.

Upon completion of installation or when making the first inspection of a steel boiler which has not been stamped with a state number, it is the duty of the inspector making the inspection to distinctly stamp the boiler with a state serial number.

Rule 11.2 Kentucky serial number; cast iron boilers.

Upon completion of installation or when making the first inspection of a cast iron boiler which does not bear a Kentucky serial number, it is the duty of the inspector making the inspection to cause an indestructible tag bearing a Kentucky serial number to be irremovably attached to the boiler, jacket or other visible, accessible, and prominent part of the boiler installation.

Rule 11.3 Report required.

The name of the owner, boiler manufacturer's standard numbers, and Kentucky state serial numbers must be reported to the Commissioner of Public Safety.

Rule 11.4 Size of stencil and manner of stamping.

The State of Kentucky serial number shall be stamped with 5/16" stencil as shown in the following facsimile:

K000000000K

Rule 11.5 Stamping to be exposed at all times.

The stamping shall not be concealed by lagging or paint and shall be exposed at all times.

REJECTION OR CONDEMNATION OF BOILERS

Rule 12.1 Unsafe boilers or boilers not in compliance with rules.

Boilers found by reason of inspection as not complying with these rules and regulations or to be unsafe shall be rejected or condemned and shall not be permitted to be installed or used in the State of Kentucky.

Rule 12.2 Reporting of violation or unsafe condition.

The inspector shall submit a written report pertaining to any such boiler, of the action taken with the reasons therefor to the Commissioner of Public Safety. The report shall also contain a detailed description of the violation or unsafe condition of such boiler.

Rule 12.3 Written notice to be served on owner or user.

A written notice of rejection or condemnation shall be served on the owner or user giving the reasons therefor.

Rule 12.4 Rejected boilers not to be operated until unsafe condition is corrected.

No person shall again operate or cause to be operated any boiler which has been rejected by a commissioned boiler inspector, nor shall any person operate or cause to be operated any boiler, the further use and operation of which has been ordered discontinued by a commissioned boiler inspector, until the defective or unsafe condition which was the reason for such action has been corrected.

Rule 12.5 Stamping of condemned boilers.

Condemned boilers shall be stamped as required in Section 18, Rules 11.1 through 11.5, and with the letters M-C-M to indicate that the boiler has been condemned.

Rule 13.1 Blow-off for boiler.

All boilers must be provided with adequate blowdown connections and valves to drain concentrations and sediment from the bottom of all boilers. When deemed necessary for safety and/or the protection of drain or sewerage systems, an adequate blowdown tank shall be installed with each boiler.

REPAIRS TO BOILERS BY WELDING AND RIVETING

The Commissioner of the Department of Public Safety is empowered to formulate and enforce reasonable rules and regulations for the repair of boilers or vessels either by the riveting and calking process, or by the welding process. Such rules covering repair shall be submitted for public hearing, approved by the Attorney General and finally approved by the Governor before they become effective.

SB 146, AN ACT relating to the Uniform Commercial Code.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 355.8-304 of the Kentucky Revised Statutes is amended to read as follows:

(1) A purchaser (including a broker for the seller or buyer but excluding an intermediary bank) of a security is charged with notice of adverse claims if:

(a) the security whether in bearer or registered form has been endorsed "for collection" of "for surrender" or for some other purpose not involving transfer; or

(b) the security is in bearer form and has on it an unambiguous statement that it is the property of a person other than the transferor. The mere writing of a name on a security is not such a statement.

(2) The fact that the purchaser (including a broker for the seller or buyer) has notice that the security is held for a third person or is registered in the name of or indorsed by a fiduciary does not create a duty of inquiry into the rightfulness of the transfer or constitute notice of adverse claims. If, however, the purchaser (excluding an intermediary bank) has *knowledge* [reason to know] that the proceeds are being used or that the transaction is for the individual benefit of the fiduciary *or otherwise in breach of duty,* the purchaser is charged with notice of adverse claims.

Section 2. Section 355.8-318 of the Kentucky Revised Statutes is amended to read as follows:

An agent or bailee who in good faith (including observance of reasonable commercial standards if he is in the business of buying, selling or otherwise dealing with securities) has received securities and sold, pledged or delivered them according to the instructions of his principal is not liable for conversion *or for participation in breach of fiduciary duty* although the principal had no right to dispose of them.

Section 3. Section 355.8-402 of the Kentucky Revised Statutes is amended to read as follows:

(1) The issuer may require the following assurance that each necessary indorsement *(KRS 355.8-308)* is genuine and effective:

(a) in all cases, a guarantee of the signature (subsection (1) of KRS 355.8-312) of the person indorsing;

(b) where the indorsement is by an agent, appropriate assurance of authority to sign;

(c) where the indorsement is by a fiduciary, [an] appropriate *evidence* [certificate] of appointment or incumbency [dated within sixty days before the date of presentation for transfer];

(d) where there is more than one fiduciary, reasonable assurance that all who are required to sign have done so;

(e) where the indorsement is by a person not covered by any of the foregoing, assurance appropriate to the case corresponding as nearly as may be to the foregoing.

(2) A "guarantee of the signature" in subsection (1) means a guarantee signed by or on behalf of a person reasonably believed by the issuer to be responsible. The issuer may adopt standards with respect to responsibility provided such standards are not manifestly unreasonable.

(3) "[An] Appropriate *evidence* [certificate] of appointment or incumbency" in subsection (1) means

(a) in the case of a fiduciary appointed or qualified by a court, a certificate issued by or under the direction or supervision of that court *or an officer thereof and dated within sixty days before the date of presentation for transfer; or* [and]

(b) *in any other case, a copy of a document showing the appointment or* [otherwise] a certificate issued by or on behalf of a person reasonably believed by the issuer to be *responsible or, in the absence of such a document or certificate, other evidence reasonably deemed by the issuer to be appropriate* [qualified so to certify]. The issuer may adopt standards with respect to *such evidence* [qualification] provided such standards are not manifestly unreasonable. *The issuer is not charged with notice of the contents of any document obtained pursuant to this paragraph (b) except to the extent that the contents relate directly to the appointment or incumbency.*

(4) *The issuer may elect to* [if the issuer has notice that the transfer may be wrongful, it] require reasonable assurance beyond that specified in this section *but if it does so* and *for a purpose other than that specified in subsection 3 (b)* [But if an issuer elects to investigate the requested transfer] both requires and obtains a copy of a will, trust, indenture, articles of copartnership, by-laws or other controlling instrument it is *charged with* [put on] notice of all matters contained therein affecting the transfer.

Section 4. Section 355.8-403 of the Kentucky Revised Statutes is amended to read as follows:

(1) An issuer to whom a security is presented for registration is under a duty to inquire into adverse claims if

(a) a *written* notification of an adverse claim is received at a time and in a manner which affords the issuer a reasonable opportunity to act on it prior to the issuance of a new, re-issued or re-registered security *and the notification identifies the claimant, the registered owner and the issue of which the security is a part and provides an address for communications directed to the claimant; or*

(b) the issuer *is charged with* [has] notice of an adverse claim *from a controlling instrument which it has elected to require under subsection (4) of KRS 355.8-402.* [by electing to require a controlling instrument as provided in the last subsection of KRS 355.8-402]

(2) The issuer may discharge any duty of inquiry by any reasonable means, including notifying an adverse claimant by registered or certified mail at the address furnished by him or if there be no such address then at his residence or regular place of business that the

security has been presented for registration of transfer by a named person, and that the transfer will be registered unless within thirty days from the date of mailing the notification, either

(a) an appropriate restraining order, injunction or other process issues from a court of competent jurisdiction; or

(b) an indemnity bond sufficient in the issuer's judgment to protect the issuer and any transfer agent, registrar or other agent of the issuer involved, from any loss which it or they may suffer by complying with the adverse claim is filed with the issuer.

(3) *Unless an issuer is charged with notice of an adverse claim from a controlling instrument which it has elected to require under subsection (4) of KRS 355.8-402* [Except to the extent that an issuer has notice by electing to require a controlling instrument as provided in the last subsection of the preceding section] or receives notification of an adverse claim under subsection (1) of this section, where a security presented for registration is indorsed by the appropriate person or persons the issuer is under no duty to inquire into adverse claims. In particular

(a) an issuer registering a security in the name of a *person who is a fiduciary or who is described as a* fiduciary is not bound to inquire into the existence, extent, or correct description of the fiduciary relationship *and thereafter the issuer may assume without inquiry that the newly registered owner continues to be the fiduciary until the issuer receives written notice that the fiduciary is no longer acting as such with respect to the particular security;*

(b) an issuer registering transfer on an indorsement by a fiduciary is not bound to inquire whether the transfer is made in compliance with a controlling instrument or with the law of the state having jurisdiction of the fiduciary relationship, including any law requiring the fiduciary to obtain court approval of the transfer; and

(c) the issuer is not charged with notice of the contents of any court record or file or other recorded or unrecorded document even though the document is in its possession and even though the transfer is made on the indorsement of a fiduciary to the fiduciary himself or to his nominee.

Section 5. Section 355.9-207 of the Kentucky Revised Statutes is amended to read as follows:

(1) A secured party must use reasonable care in the custody and preservation of collateral in his possession. In the case of an instrument or chattel paper reasonable care includes taking necessary steps to preserve rights against prior parties unless otherwise agreed.

(2) Unless otherwise agreed, [and subject to the provisions of Part 5 after default,] when collateral is in the secured party's possession

(a) reasonable expenses (including the cost of any insurance and payment of taxes or other charges) incurred in the custody, [and] preservation, *use or operation* of the collateral are chargeable to the debtor and are secured by the collateral;

(b) the risk of accidental loss or damage is on the debtor to the extent of any deficiency in any effective insurance coverage;

(c) the secured party may hold as additional security any increase or profits (except money) received from the collateral, but money so received, unless remitted to the debtor, shall be applied in reduction of the secured obligation;

(d) the secured party must keep the collateral indentifiable but fungible collateral may be commingled;

(e) the secured party [may not make any use of the collateral except in the exercise of his duty of custody and preservation, but] may repledge *the collateral* [it] upon terms which do not impair the debtor's right to redeem it.

(3) A secured party is liable for any loss caused by his failure to meet any obligation imposed by the preceding subsections but does not lose his security interest.

(4) A secured party may use or operate the collateral for the purpose of preserving the collateral or its value or pursuant to the order of a court of appropriate jurisdiction or, except in the case of consumer goods, in the manner and to the extent provided in the security agreement.

Section 6. Section 355.9-301 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as otherwise provided in subsection (2) an unperfected security interest is subordinate to the rights of

(a) person entitled to priority under KRS 355.9-312;

(b) a person who becomes a lien creditor without knowledge of the security interest and before it is perfected;

(c) In the case of goods, instruments, documents, and chattel paper, a person who is not a secured party and who is a transferee in bulk or other buyer not in ordinary course of business to the extent that he gives value and receives delivery of the collateral without knowledge of the security interest and before it is perfected;

(d) In the case of accounts, contract rights, and general intangibles, a person who is not a secured party and who is a transferee to the extent that he gives value without knowledge of the security interest and before it is perfected.

(2) If the secured party files with respect to a purchase money security interest before or within ten days after *the collateral comes into possession of the debtor,* [he gives value] he takes priority over the rights of a transferee in bulk or of a lien creditor which arise between the time the security interest attaches and the time of filing.

(3) A "lien creditor" means a creditor who has acquired a lien on the property involved by attachment, levy or the like and includes an assignee for benefit of creditors from the time of assignment, and a trustee in bankruptcy from the date of the filing of the petition or a receiver in equity from the time of appointment. Unless all the creditors represented had knowledge of the security interest such a representative of creditors is a lien creditor without knowledge even though he personally has knowledge of the security interest.

Section 7. Section 355.9-307 of the Kentucky Revised Statutes is amended to read as follows:

(1) A buyer in ordinary course of business (subsection (9) of KRS 355.1-201) other than a person buying farm products from a person engaged in farming operations takes free of a security interest created by his seller even though the security interest is perfected and even though the buyer knows of its existence.

(2) If any tobacco crop subject to the lien of a security interest is sold at public auction through a duly licensed tobacco warehouse in the ordinary course of business, a bona fide purchaser for value of such crop shall take title thereto free and clear of any such lien, and the warehouseman selling such tobacco crop shall not be liable to the holder of such lien, unless written notice of such lien and the amount thereof, the name and address of the debtor and proper identification of the property subject to lien, are given to the tobacco warehouseman prior to the payment of the proceeds of sale to the owner or producer of such tobacco crop.

(3) In the case of consumer goods and in the case of farm equipment having an original purchase price not in excess of $2500 (other than fixtures, see KRS 355.9-313), a buyer takes free of a security interest even though perfected if he buys without knowledge of the security interest, for value and for his own personal, family or household purposes or his own farming operations unless prior to the purchase the secured party has filed a financing statement covering such goods.

Section 8. Section 355.9-312 of the Kentucky Revised Statutes is amended to read as follows:

(1) The rules of priority stated in the following sections shall govern where applicable: KRS 355.4-208 with respect to the security interest of collecting banks in items being collected, accompanying documents and proceeds; KRS 355.9-301 on certain priorities; KRS 355.9-304 on goods covered by documents; KRS 355.9-306 on proceeds and repossessions; KRS 355.9-307 on buyers of goods; KRS 355.9-308 on possessory against non-possessory interests in chattel paper or non-negotiable instruments; KRS 355.9-309 on security interest in negotiable instruments, documents or securities; KRS 355.9-310 on priorities between perfected security interests and liens by operation of law; KRS 355.9-313 on security interests in fixtures as against interests in real estate; KRS 355.9-314 on security interests in accessions as against interests in goods; KRS 355.9-315 on conflicting security interests where goods lose their identity or become part of a product; and KRS 355.9-316 on contractural subordination.

(2) A perfected security interest in crops for new value given to enable the debtor to produce the crops during the production season and given not more than three months before the crops become growing crops by planting or otherwise takes priority over an earlier perfected security interest to the extent that such earlier interest secures obligations due more than six months before the crops become growing crops by planting or otherwise, even though the person giving new value had knowledge of the earlier security interest.

(3) A purchase money security interest in inventory collateral has priority over a conflicting security interest in the same collateral if

(a) the purchase money security interest is perfected at the time the debtor received possession of the collateral; and

(b) any secured party whose security interest is known to the holder of the purchase money security interest or who, *prior to the date of the filing made by the holder of the purchase money security interest, had* [has previously] filed a financing statement covering the same items or type of inventory, has received notification of the purchase money security interest before the debtor receives possession of the collateral covered by the purchase money security interest; and

(c) such notification states that the person giving the notice has or expects to acquire a purchase money security interest in inventory of the debtor, describing such inventory by item or type.

(4) A purchase money security interest in collateral other than inventory has priority over a conflicting security interest in the same collateral if the purchase money security interest is perfected at the

time the debtor receives possession of the collateral *or within ten days thereafter.*

(5) In all cases not governed by other rules stated in this section *(including cases of purchase money security interests which do not qualify for the special priorities set forth in subsections (3) and (4) of this section),* priority between conflicting security interests in the same collateral shall be determined as follows:

(a) in the order of filing if both are perfected by filing, regardless of which security interest attached first under KRS 355.9-204 (1) and whether it attached before or after filing;

(b) in the order of perfection unless both are perfected by filing, regardless of which security interest attached first under KRS 355.9-204 (1) and, in the case of a filed security interest, whether it attached before or after filing; and

(c) in the order of attachment under KRS 355.9-204 (1) so long as neither is perfected.

(6) For the purpose of the priority rules of subsection (5), a continuously perfected security interest shall be treated at all times as if perfected by filing if it was originally so perfected and it shall be treated at all times as if perfected otherwise than by filing if it was originally perfected otherwise than by filing.

Section 9. Section 355.9-401 of the Kentucky Revised Statutes is amended to read as follows:

(1) The proper place to file in order to perfect a security interest is as follows:

(a) *when the collateral is equipment used in farming operations, or farm products, or accounts, contract rights or general intangibles arising from or relating to the sale of farm products by a farmer, or consumer goods, then in the office of the County Court Clerk in the county of the debtor's residence or if the debtor is not a resident of this state then in the office of the County Court Clerk in the county where the goods are kept, and in addition when the collateral is crops in the office of the County Court Clerk in the county where the land on which the crops are growing or to be grown is located;*

(b) when the collateral is goods which at the time the security interest attaches are or are to become fixtures, then in the office where a mortgage on the real estate concerned would be filed or recorded;

(c) in all other cases, if the debtor is a resident of this state in the office of the County Court Clerk in the county of the debtor's

residence, if the debtor is not a resident of this state but has a principal place of business in this state, in the office of the County Court Clerk in the county where the non-resident has a principal place of business, if the debtor is a non-resident of this state and has no principal place of business in this state then in the office of the Secretary of State of the Commonwealth of Kentucky.

(2) A filing which is made in good faith in an improper place or not in all of the places required by this section is nevertheless effective with regard to any collateral as to which the filing complied with the requirements of this article and is also effective with regard to collateral covered by the financing statement against any person who has knowledge of the contents of such financing statement.

(3) A filing which is made in the proper place in this state continues effective even though the debtor's residence or place of business or the location of the collateral or its use, whichever controlled the original filing, is thereafter changed.

(4) If collateral is brought into this state from another jurisdiction, the rules stated in KRS 355.9-103 determine whether filing is necessary in this state.

Section 10. Section 355.9-402 of the Kentucky Revised Statutes is amended to read as follows:

(1) A financing statement is sufficient if it is signed by the debtor and the secured party, gives an address of the secured party from which information concerning the security interest may be obtained, gives a mailing address of the debtor and contains a statement indicating the types, or describing the items of collateral. A financing statement may be filed before a security agreement is made or a security interest otherwise attaches. When the financing statement covers crops growing or to be grown or goods which are or are to become fixtures, the statement must also contain a description of the real estate concerned. A copy of the security agreement is sufficient as a financing statement if it contains the above information and is signed by both parties. *The chattel mortgage or other instrument referred to in KRS Chapter 186 shall be deemed to mean financing statements and shall be filed in accordance with the provisions of KRS Chapter 355. If at the time the financing statement required by this section is filed there is an indebtedness of two hundred dollars or more, the fact shall be stated.*

(2) If the property intended as collateral is consumer goods as defined in KRS 355.9-109 (1) in the possession of the consumer debtor at the time the financing statement required by KRS 355.9-402 is filed, and if the property is a motor vehicle or other property normally carrying a serial number, the following information is also to be given:

(a) If the property is a motor vehicle, the make, year model and motor number or identification number shall be given;

(b) *For other property, the item and its serial number shall be given.*

(3) [2] A financing statement which otherwise complies with subsection (1) is sufficient although it is signed only by the secured party when it is filed to perfect a security interest in

(a) collateral already subject to a security interest in another jurisdiction when it is brought into this state. Such a financing statement must state that the collateral was brought into this state under such circumstances;

(b) proceeds under KRS 355.9-306 if the security interest in the original collateral was perfected. Such a financing statement must describe the original collateral.

(4) [3] A form substantially as follows is sufficient to comply with subsection (1):

Name of debtor (or assignee) ________________________________

Address ____

Name of secured party (or assignee) ________________________

Address ____

1. This financing statement covers the following types (or items) of property:

(Describe) ____

2. (If collateral is crops) The above described crops are growing or are to be grown on:

(Describe Real Estate) ________________________________

3. (If collateral is goods which are or are to become fixtures) The above described goods are affixed or to be affixed to:

(Describe Real Estate) ________________________________

4. (If proceeds or products of collateral are claimed) Proceeds—Products of the collateral are also covered.

Signature of Debtor (or Assignor) ________________________

Signature of Secured Party (or Assignee)____________________

(5) [4] The term "financing statement" as used in this article means the original financing statement of any amendments but if any amendment adds collateral, it is effective as to the added collateral only from the filing date of the amendment.

(6) [5] A financing statement substantially complying with the requirements of this section is effective even though it contains minor errors which are not seriously misleading.

Section 11. Section 355.9-403 of the Kentucky Revised Statutes is amended to read as follows:

(1) Presentation for filing of a financing statement and tender of the filing fee or acceptance of the statement by the filing officer constitutes filing under this article.

(2) A filed financing statement which states a maturity date of the obligation secured of five years or less is effective until such maturity date and thereafter for a period of sixty days. Any other filed financing statement is effective for a period of five years from the date of filing. The effectiveness of a filed financing statement lapses on the expiration of such sixty day period after a stated maturity date or on the expiration of such five year period, as the case may be, unless a continuation statement is filed prior to the lapse. Upon such lapse the security interest becomes unperfected.

(3) A continuation statement may be filed by the secured party (a) within six months before and sixty days after a stated maturity date of five years or less, and (b) otherwise within six months prior to the expiration of the five year period specified in subsection (2). Any such continuation statement must be signed by the secured party, identify the original statement by file number *and date filed* and state that the original statement is still effective. Upon timely filing of the continuation statement, the effectiveness of the original statement is continued for five years after the last date to which the filing was effective whereupon it lapses in the same manner as provided in subsection (2) unless another continuation statement is filed prior to such lapse. Succeeding continuation statements may be filed in the same manner to continue the effectiveness of the original statement. Unless a statute on disposition of public records provides otherwise, the filing officer may remove a lapsed statement from the files and destroy it.

(4) A filing officer shall mark each statement with a consecutive file number and with the date and hour of filing and shall hold the statement for public inspection. In addition the filing officer shall index the statements according to the name of the debtor and shall note in the index the file number and the address of the debtor given in the statement.

(5) The uniform fee for filing, indexing and furnishing filing data for an original or a continuation statement shall be $2.50.

Section 12. Section 355.9-404 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever there is no outstanding secured obligation and no commitment to make advances, incur obligations or otherwise give value, the secured party must on written demand by the debtor send the debtor a statement that he no longer claims a security interest under the financing statement, *and identify the original statement by file number and date filed.* [which shall be identified by file number] A termination statement signed by a person other than the secured party of record must include or be accompanied by the assignment or a statement by the secured party of record that he has assigned the security interest to the signer of the termination statement. The uniform fee for filing and indexing such an assignment or statement there of shall be *$ .75* [$ .50]. If the affected secured party fails to send such a termination statement within ten days after proper demand therefor he shall be liable to the debtor for one hundred dollars, and in addition for any loss caused to the debtor by such failure.

(2) *In the absence of a demand by the debtor for a statement of termination, and within thirty days after a secured transaction evidenced by record in the county clerk's office has terminated, the secured party shall send to the clerk a statement that he no longer claims a security interest under the financing statement or other instrument, which shall be identified by file number and date filed. If the actual secured party willfully fails to send such a termination statement within thirty days after he no longer claims a security interest, he shall be liable to the debtor for twenty-five dollars, and in addition for any loss caused to the debtor by such failure.*

(3) On presentation to the filing officer of such a termination statement he must note it in the index. [Unless a statute on disposition of public records provides otherwise.] The filing officer shall remove *from the files, mark "terminated" and send or deliver to the secured party the financing statement and any continuation statement, statement of assignment or statement of release pertaining thereto. Whenever a statement required under KRS Chapter 355 need be sent to a party to the transaction by the county clerk, it shall be sufficient for the county clerk to send the statement to the party entitled to receive it, at his last known address.* [the financing statement from the files, mark at "terminated" and send or deliver the financing statement to the secured party.]

(4) The uniform fee for filing and indexing a termination statement *and for sending or delivering the terminated instrument* and for sending or delivering the financing statement shall be *$ .75* [$ .50].

Section 13. Section 355.9-405 of the Kentucky Revised Statutes is amended to read as follows:

(1) A financing statement may disclose an assignment of a security interest in the collateral described in the statement by indication in the statement of the name and address of the assignee or by an assignment itself or a copy thereof on the face or back of the statement. Either the original secured party or the assignee may sign this statement as the secured party. On presentation to the filing officer of such a financing statement the filing officer shall mark the same as provided in KRS 355.9-403 (4). The uniform fee for filing, indexing and furnishing filing data for a financing statement so indicating an assignment shall be $ .75.

(2) A secured party may assign of record all or a part of his rights under a financing statement by [indication therein of the name and address of the assignee or by] the filing of a separate written statement of assignment signed by the secured party *of record* and setting forth the name of the secured party *of record* and the debtor, the file number and the date of filing of the financing statement and the name and address of the assignee and containing a description of the collateral assigned. A copy of the assignment is sufficient as a separate statement if it complies with the preceding sentence. On presentation to the filing officer of such a [financing statement or such a] separate statement, the filing officer shall mark [such financing statement as provided in KRS 355.9-403 (4) or mark] such separate statement with the date and hour of filing. He shall note the assignment on the [margin of the] index [of the filing] of the financing statement. The uniform fee for filing, indexing and furnishing filing data about such a separate statement of assignment shall be *$ .75* [$ .50].

(3) After the disclosure of filing of an assignment under this section, the assignee is the secured party of record.

Section 14. Section 355.9-501 of the Kentucky Revised Statutes is amended to read as follows:

(1) When a debtor is in default under a security agreement, a secured party has the *rights and* remedies provided in this Part *and except as limited by subsection (3) those provided in the security agreement.* [which are cumulative] [In addition,] *He* may reduce his claim to judgment, foreclose *or otherwise enforce* the security interest by any available judicial procedure [, or both]. If the collateral is documents the secured party may proceed either as to the documents or as to the goods covered thereby. *A secured party in possession has the rights, remedies and duties provided in KRS 355.9-207. The rights and remedies referred to in this subsection are cumulative.*

(2) After default, the debtor has the rights *and remedies* provided in this Part, *those provided in the security agreement and those*

provided in KRS 355.9-207. [and a secured party in possession has the rights and duties provided in Section 9-207]

(3) To the extent that they give rights to the debtor and impose duties on the secured party, the rules stated in the subsections referred to below may not be waived or varied except as provided with respect to compulsory disposition of collateral (subsection (1) of KRS 355.9-505) and with respect to redemption of collateral (KRS 355.9-506) but the parties may by agreement determine the standards by which the fulfillment of these rights and duties is to be measured if such standards are not manifestly unreasonable:

[(3) The rules stated in this Part which give rights to the debtor and impose duties on the secured party may be waived or varied only as provided in this Part but the parties may by agreement determine the standards by which the fulfillment of these rights and duties is to be measured if such standards are not manifestly unreasonable.]

(a) subsection (2) of KRS 355.9-502 and subsection (2) of KRS 355.9-504 insofar as they require accounting for surplus proceeds of collateral;

(b) subsection (3) of KRS 355.9-504 and subsection (1) of KRS 355.9-505 which deal with disposition of collateral;

(c) subsection (2) of KRS 355.9-505 which deals with acceptance of collateral as discharge of obligation;

(d) KRS 355.9-506 which deals with redemption of collateral; and

(e) subsection (1) of KRS 355.9-507 which deals with the secured party's liability for failure to comply with this Part.

(4) If the security agreement covers both real and personal property, the secured party may proceed under this Part as to the personal property or he may proceed as to both the real and the personal property *in accordance with his rights and remedies in respect of the real property in which case* [under the law relating to foreclosure of real estate mortgages. If the secured party proceeds as to both under the real estate mortgage law,] the provisions of this Part do not apply.

(5) When a secured party has reduced his claim to judgment the lien of any levy which may be made upon his collateral by virtue of any execution based upon the judgment shall relate back to the date of the perfection of the security interest in such collateral. A judicial sale, pursuant to such execution, is a foreclosure of the security interest by judicial procedure within the meaning of this section, and the secured party may purchase at the sale and thereafter hold the collateral free of any other requirements of this Article.

Section 15. Section 186.195 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever the owner of a motor vehicle, properly registered in this state, executes a lien thereon, he shall deliver the registration receipt to the secured party. The secured party shall, within ten days thereafter, present such receipt, together with the *financing statement* [lien instrument] and proper fees, to the county clerk of the county in which the motor vehicle is registered for recording.

(2) The county clerk shall, within five days, mail the registration receipt with the lien recorded thereon to the owner, and shall also record the lien on the copy of the registration receipt on file in the county clerk's office.

(3) Whenever a *financing statement* [lien instrument] affecting a motor vehicle is presented to a county clerk for recording in any county other than the one in which the motor vehicle is registered, the county clerk shall, in addition to the other requirements of this section, [and the requirements of KRS 382.670,] mail a notice of the recorded lien to the clerk of the county in which the motor vehicle is registered on a form which the Department of Revenue shall supply. Upon receipt of said notice, the county clerk shall record the lien on the copy of the registration receipt on file in the county clerk's office.

(4) (a) When the security interest is assigned or discharged pursuant to the law, the owner shall present the registration receipt to the secured party who shall record thereon in language prescribed by the department that the lien has been assigned or discharged. The recording shall show the date thereof and shall be signed by the secured party or his authorized agent and acknowledged before an officer authorized to administer an oath.

(b) The secured party shall file a statement of assignment or termination which statements shall be governed by the provisions of KRS 355.9-404, 355.9-405 and *355.9-406* and any other applicable provision of law, and which must be filed within thirty days of the assignment or discharge of the security interest.

(c) When a discharge or assignment has been recorded on the owner's registration receipt, the owner *shall* [may] present the registration receipt to the county clerk who shall record the information on the copy of the receipt which contains the lien information on file in the county clerk's office, for which services the owner shall pay the clerk a fee of twenty-five cents.

(5) For failure to present the registration receipt and record the *financing statement* [lien instrument] within the time prescribed, the secured party shall pay a penalty of two dollars to the county

clerk as a prerequisite for recording the lien information on the registration receipt. The penalty, less the county clerk's commission of five percent, shall be remitted to the department.

(6) No lien executed prior to January 1, 1960, shall be recorded on the registration receipt issued by the county clerk.

(7) In the event the secured party takes possession of the collateral after default, and disposes of it as provided in KRS 355.9-503 and 355.9-504, the secured party shall promptly notify, in writing, the county clerk of the county wherein the financing statement is filed, of such sale, and when the purchaser for value presents documents for transfer or re-registration, the county clerk shall be authorized and directed to make transfer or re-registration free and clear of all liens extinguished by such sale.

Section 16. Section 382.270 of the Kentucky Revised Statutes is amended to read as follows:

No deed or deed of trust or mortgage conveying a legal or equitable title to real [or personal] property shall be valid against a purchaser for a valuable consideration, without notice thereof, or against creditors, until such deed or mortgage is acknowledged or proved according to law and logged for record. As used in this section "creditors" includes all creditors irrespective of whether or not they have acquired a lien by legal or equitable proceedings or by voluntary conveyance.

Section 17. Section 382.330 of the Kentucky Revised Statutes is amended to read as follows:

No county clerk shall record a deed or deed of trust or mortgage *covering real property* by which the payment of any indebtedness is secured unless the deed or deed of trust or mortgage states the date and the maturity of the obligations thereby secured which have been already issued or which are to be issued forthwith.

Section 18. Section 382.675 of the Kentucky Revised Statutes is amended to read as follows:

No instrument conveying or reserving a security interest in a motor vehicle *required to be registered for use on the highway* shall be recorded until such vehicle has *in fact* been properly registered. The county clerk shall record such instruments as directed in this chapter and in KRS Chapter 186.

Section 19. Section 64.010 of the Kentucky Revised Statutes is amended to read as follows:

The clerk of the Court of Appeals and the clerks of circuit courts and county courts, as far as the same will apply, shall receive for the following services the following fees:

Issuing summons	$0.70
Each copy thereof	.40
Entering return thereon	.40
Issuing order of attachment	.70
Each copy thereof	.40
Entering return thereon	.40
Issuing order of injunction	.70
Each copy thereof	.40
Entering return thereon	.40
Issuing subpoena	.70

(All of the witnesses living in the same county ordered to be summoned at the same time shall be included in one subpoena, and the fee therefor shall not be increased)

Issuing attachment for a witness	.70
Issuing order of arrest	.70
Each copy thereof	.40
Entering return thereon	.40
Issuing order of delivery	.70
Each copy thereof	.40
Entering return thereon	.40
Issuing each writ of possession	2.00
Docketing an action, motion or proceeding	.25
Order assigning cases to a division of court	.50
Warning order by clerk	.70
Order of clerk appointing warning order attorney	.70
Issuing a rule	.70
Each copy thereof	.40
Filing return on rule	.40
Endorsing each step taken in an action on a "step sheet" or envelope in the file or on the rule docket	.25
Filing a pleading	.40
Filing each exhibit or other paper not a pleading	.30
Swearing, entering attendance and issuing certificates of attendance of witnesses, each witness	.50
Each commission to take deposition	1.50
Filing a deposition, to be charged but one in each case, and all those contained in one envelope to be counted as one	.40
Taking a recognizance of a party or witness	.50
Entering or noting of record in order book each order or direction of the court, an order filing any pleading of other paper, each motion, demurrer, disposition thereof or ruling of the court or any other step taken, each	.50

Copy thereof	.50
Attendance in court, other than circuit court, upon each trial of an action, to be charged to each party for each trial	1.50
Attending by himself or by deputy and keeping order in the circuit court, to be paid out of the State Treasury, for each day	6.00
Swearing a jury	.75
Entering a judgment (other than equity action)	1.25
Each copy thereof	.75
Entering or recording a judgment in an equity action, for every ten words	.03
Taxation of costs of each party, to be charged to such party	.75
Each copy of a taxation of costs of each party, if called for	.50
Filing copy of costs taxed in the case file	.40
Issuing an execution, with all endorsements thereon	1.50
Each copy of an execution with all endorsements thereon	1.00
Recording an execution with endorsements, returns and all papers therewith, when real estate is sold, each ten words	.03
Copying a record for Court of Appeals or other purpose, each ten words	.03
Issuing a supersedeas	1.00
Each copy thereof	.40
Entering return thereon	.40
Filing each transcript on appeal	.40
Entering satisfaction, release, or discharge of a judgment in whole or in part in court or on an order book, to be paid by the party procuring the same	.75
Copying a pleading or other paper, each ten words	.03
Indexing in Plaintiff's and Defendant's General Index to suits, each name of parties to an action, to be charged for each listing and once in each case	.30
Indexing in Defendant's Index of Executions of each name of parties to such execution, to be charged for each listing and for each execution issued	.30
Indexing in Plaintiff's and Defendant's index of Judgments of each name of parties to a judgment, to be charged for each listing and for each judgment	.30
Each order made by the clerk in vacation or made by the clerk when the court is not in vacation	.70
Each order in the county court	.60
Each copy thereof when ordered	.40
Probate of a will and certificate, including all services relating thereto	1.50
Order granting an administration, or appointing appraisers of estate of any fiduciary	.75
Taking a bond for any fiduciary	1.50
Certificate of administration or copy of it	.75
Issuing a writ of idiocy or lunacy	1.00

Recording each inquisition under same	1.00
Each copy of such inquisition when ordered	1.00
Recording deed of trust or assignment for the benefit of creditors	2.70
Copy of same when ordered	1.25
Taking bonds required of the trustee or trustees in such cases, and including all services connected with it	2.70
Recording inventories required to be filed by the trustees, for every twenty words	.05
Each official certificate	1.50
Each bond required to be taken or prepared by the clerk	1.50
Taking a bond where no fee is fixed specially by law	1.50
Copy of any bond when ordered	1.50
Recording a bond, each bond	1.50
Receiving the acknowledgment or proof of any deed, mortgage or agreement, power of attorney, or other written instrument required by law to be done and certifying same	1.25
Recording powers of attorney, agreements, allotments of dower, division of land, wills, inventories, sale bills, settlements of fiduciary accounts, and certificates thereof, for every twenty words, or fraction thereof	.05
Recording any report of a commissioner, surveyor, assignee, trustee, receiver, administrator, executor, guardian or other official or person, each ten words	.03
Taking the acknowledgment or proof of a deed of real estate, certifying and recording the same and recording his own certificate, provided the entire record thereof does not exceed twelve hundred words	2.50
All over twelve hundred words, every twenty words	.05
Each additional certificate	.40
Each additional tract embraced in such deed, except town lots	.40
Copy of deed and certificate thereon	2.50
Recording the conveyance of personal or chattel property, taking the acknowledgment of proof thereof, and recording the orders and certificates, including the whole services	2.00
Each copy thereof	1.50
Recording a mortgage of real estate, certificates, and all services connected with the same, provided the entire record thereof does not exceed twelve hundred words	2.50
All over twelve hundred words, for every twenty words	.05
Copy of same	2.50
[Recording mortgage of personalty	2.00]
[Copy of same	1.50]
[Recording, entering or] Noting release of any lien, mortgage or redemption other than a deed of release	.40
Receiving the acknowledgment, recording and certifying each deed of release of a mortgage or lien	1.50

Copying courses and distance of any deed, for each tract when demanded	.40
Recording plat laid down in the allotment of dower or division or land, for each tract thereof	.40
Recording or copying a plat or map of land, each lot	.40
Making a record for the establishment of a city, recording the plan or plat thereof, and all other services incident	6.75
Recording survey of a city, or any part thereof, or any addition to or extension of the boundary of a city	6.75
Every order concerning the establishment, changing, closing or discontinuing of roads, to be paid out of the county levy when the road is established, changed, closed or discontinued, and by the applicant when it is not	.50
Each order appointing a surveyor of road	.50
Each copy thereof	.50
(The last two named to be paid out of the county levy.)	
Each order in proceedings for private passways, to be paid by applicant	.50
Each copy of same, to be paid by applicant when ordered	.45
Each report of list of surveyors of roads made and furnished to the grand jury, to be paid out of the county levy	2.50
Copying a surveyor's report, for every twenty words or fraction thereof	.05
Administering an oath and certificate thereof	.75
Issuing license for which no other fee is fixed by law	1.50
Marriage license, bond, certificate and recording	3.00
Each order and certificate allowing any claim against the county treasurer or State Treasurer, where the claim exceeds five dollars, to be paid by the claimant	.70
Recording post notice of an estray, waifboat or wreck, and advertising same	1.00
For filing, indexing and furnishing filing date for an original or continuation financing statement	2.00
For filing and indexing a financing termination statement and sending or delivering the original financing statement	.75
For filing, indexing and furnishing filing data about an assignment of a financing statement	.75
For filing and noting a statement of release of collateral under a financing statement	.75

Section 20. Section 355.9-406 of the Kentucky Revised Statutes is amended to read as follows:

A secured party of record may by his signed statement release all or a part of any collateral described in a filed financing statement. The statement of release is sufficient if it contains a description of the collateral being released, the name and address of the debtor, the name and address of the secured party, and the file number of the financing statement. Upon presentation of such a statement to the filing officer he shall mark the statement with the hour and date of filing and shall note the same upon the margin of the index of the filing of the financing statement. The uniform fee for filing and noting such a statement of release shall be *$ .75* [$ .50].

Section 21. Sections 287.390, 287.400, 287.405, 287.407, 382.635, 382.740, 382.750, 382.760, 382.770, 382.780, and 382.790, of the Kentucky Revised Statutes are repealed.

SB 153, AN ACT relating to the executive branch of state government.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

ARTICLE I. General Administrative Organization

Section 1. Section 12.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) *In this chapter, unless the context requires otherwise:*

(a) "Department" means that basic unit of administrative organization of state government, by whatever name called, designated by statute or by appropriate executive action as a "department";

(b) "Division" means a major branch of a department established by statute, or by administrative action;

(c) "Administrative body" includes authority, board, bureau, commission, committee, conference, council, office, and any other form of organization in the executive branch of government, but does not include "department," "agency," or "division."

(2) As used in KRS 12.010 to 12.070, "agency" means a group of departments, or departments and commissions, or other administrative bodies, designated by statute or appropriate executive action as an "agency."

[(1) "Department" means any executive or administrative agency of the state named in KRS 12.020 as an administrative department; but does not mean any legislative or judicial agency.

(2) "Agency" means any state officer, department, board, commission, institution, division, or other person or functional group exercising any executive or administrative function of the state.

(3) "Division" means a major branch of an administrative department established by statute or by administrative action.

(4) "State service" means the organization of the executive and administrative departments of the state government, and the Legislative Council.

(5) "Position" means any office or employment, or combination of them, in the state service, involving an aggregation of duties to be performed and responsibilities to be exercised by one person.

(6) "Employe" means the lawful incumbent of a position.

(7) "Independent agency" means any agency of the state government which is not a part of an administrative department.]

Section 2. A new section of KRS 12.010 to 12.070 is created to read as follows:

Unless specifically provided otherwise, each administrative body established by statute or the appropriate executive action shall be included for administrative purposes in a department or an agency. When an administrative body is established and the law establishing it does not specify the department or agency within which the body is to be included, the Governor shall assign the body to an existing department or agency.

Section 3. Section 12.020 of the Kentucky Revised Statutes is amended to read as follows:

Departments and the respective administrative bodies that they include are enumerated in this section. It is not intended that this enumeration of administrative bodies be all-inclusive.

I. Departments headed by elected officers:

1. The Governor.
2. Lieutenant Governor.
3. Department of State.
   (a) Board of Elections.
4. Department of Law.
5. Department of the Treasury.
6. Department of Agriculture.
   (a) State Board of Agriculture.
   (b) Milk Marketing and Antimonopoly Commission.
   (c) Egg Marketing Advisory Board.
   (d) Johnson Grass Control Advisory Board.
   (e) State Dog Law Committee.
   (f) Termite and Pest Control Examining Board.

7. Department of Education.
    (a) State Board of Education.
    (b) School for the Deaf Advisory Board.
    (c) Council on Public Higher Education.
    (d) State Textbook Commission.
    (e) Kentucky Public School Authority.
    (f) Governor's Conference on Education.
    (g) School for Blind Advisory Committee.
8. Auditor of Public Accounts.
9. Railroad Commission.

II. Departments headed by appointed officers:

1. Department of Corrections.
    (a) Parole Board.
2. Department of Commerce.
    (a) Economic Development Commission.
    (b) Resources, Research and Development Advisory Committee.
3. Department of Highways.
4. Department of Industrial Relations.
    (a) Workmen's Compensation Board.
    (b) Board of Claims.
    (c) Prevailing Wage Board.
    (d) Kentucky Industrial Safety Board.
    (e) Kentucky Apprenticeship Council.
5. Department of Libraries.
    (a) State Board for the Certification of Librarians.
6. Department of Public Safety.
    (a) Public Safety Advisory Committee.
    (b) State Police Personnel Board.
7. Department of Alcoholic Beverage Control.
    (a) Alcoholic Beverage Control Board.
8. Department of Banking and Securities.
    (a) Securities Advisory Committee.
9. Department of Insurance.
    (a) Custodian of Insurance Securities.
10. Department of Motor Transportation.
    (a) General Advisory Committee for Motor Vehicle Dealers.

11. Public Service Commission.

12. Department of Finance.
    - (a) State Property and Buildings Commission.
    - (b) County Debt Commission.
    - (c) State Archives and Records Commission.
    - (d) Capitol Planning and Zoning Commission.
    - (e) Board of Zoning Adjustment and Appeals.

13. Department of Personnel.
    - (a) Personnel Board.

14. Department of Public Information.

15. Department of Revenue.

16. Department of Child Welfare.
    - (a) Kentucky Children's Advisory Council.

17. Department of Economic Security.
    - (a) Public Assistance Appeals Board.
    - (b) Advisory Council for Medical Assistance.
    - (c) Unemployment Insurance Commission.
    - (d) State Employment Security Advisory Council.
    - (e) Commission for Employment of the Physically Handicapped.
    - (f) Employes' Retirement System Board of Trustees.

18. Commission for Handicapped Children.

19. Department of Health.
    - (a) State Board of Health.
    - (b) Water Pollution Control Commission.
    - (c) Kentucky Commission on Alcoholism.

20. Department of Mental Health.
    - (a) Advisory Council on Mental Health.
    - (b) Advisory Council on Mental Retardation.

21. Tuberculosis Hospital Commission.

22. Department of Fish and Wildlife Resources.
    - (a) Fish and Wildlife Resources Commission.

23. Department of Parks.
    - (a) Parks Board.
    - (b) Breaks Interstate Park Commission.

24. Department of Conservation.
    (a) Flood Control and Water Usage Board.
    (b) Soil and Water Resources Commission.
    (c) Strip Mining and Reclamation Commission.
    (d) Advisory Committee on Strip Mining and Reclamation.
    (e) Ohio River Valley Water Sanitation Commission.
    (f) Interstate Water Sanitation Board.
25. Department of Mines and Minerals.
    (a) Mines and Minerals Board of Examiners.
26. Department of Aeronautics.
27. Department of Military Affairs.
    (a) Kentucky Disabled Ex-Servicemen's Board.

Section 4. A new section of KRS 12.010 to 12.070 is created to read as follows:

(1) The Health and Welfare Agency is established. It consists of the Department of Child Welfare, the Commission for Handicapped Children, the Department of Mental Health, the Department of Economic Security, the Tuberculosis Hospital Commission, the Department of Health, the Kentucky Commission on Aging, and the Commission on Children and Youth.

(2) For the purpose of consulting or dealing with the federal government or its representatives in relation to any program or matter connected with the activity of any department, commission, or administrative body in the Health and Welfare Agency, the administrator of the Health and Welfare Agency is the Commonwealth's single agent. He may delegate this authority in specific instances.

Section 5. Section 12.025 of the Kentucky Revised Statutes is amended to read as follows:

(1) Recognizing the necessity for grouping certain related functions of departments and adminstrative bodies in order to promote greater economy, efficiency and improved administration in establishing more effective organizational patterns and also recognizing the fact that such groupings and revisions in the general organizational structure need to be made as rapidly as possible when administrative functions change and the needs of government dictate, the Governor may:

[Recognizing the problems resulting from a rapid expansion of programs in many departments and in order to promote greater economy, efficiency and improved administration in the statutory departments of state government by grouping related functions and establishing more effective organizational patterns, both of which require extensive studies extending beyond the regular legislative session, the Governor may:]

(a) [(1)] Establish, abolish, or alter the organization of any *agency or* statutory administrative department, including changing the name of a department to explain more clearly the functions performed by it. Also included in this authority shall be permission to transfer functions, personnel, funds, equipment, facilities, and records from one department to another. Reorganization made under this section shall be set forth in an Executive Order, signed by the Governor and filed in the office of the Secretary of State, which shall explain the changes made and designate the functions, personnel, funds, equipment, facilities, and records, as applicable, to be transferred. The Governor shall recommend legislation to the *next following session of the* [1962] General Assembly to confirm reorganizations effected under the provisions of this section.

(b) [(2)] Appoint advisory or study committees to assist and recommend to him on problems concerning the various functions and departments of state government. Members of such committees shall serve without pay, but shall be reimbursed for necessary and actual expenses.

(2) Recognizing that the purpose of the establishment of an agency is to increase the economy and efficiency of administration, the Governor may supplement or limit, or both, the general powers and duties of agency administrators as they apply to the administrator of a particular agency. Matters relating to the powers and duties of a particular agency administrator shall be set forth in an executive order. In supplementing or limiting the general powers of an agency administrator as they apply to the administrator of a particular agency, the Governor shall have regard for the general nature of the activities embraced by the agency.

Section 6. Section 12.030 of the Kentucky Revised Statutes is amended to read as follows:

The work of each *agency, or* department *where the department is not a part of an agency,* shall be distributed among the boards, commissions, divisions, [and] institutions, *and administrative bodies constituting the unit.* [provided for by law] *An Agency Administrator, or a department head in those cases where the department is not a part of an agency, may submit a recommendation that the Governor by executive order, establish, abolish, or change the name of subordinate units, or transfer the functions, staff, and funds from one* *unit to another within the agency or department. Such recommendations or proposals shall be submitted to the Commissioner of Finance who shall transmit them along with his comments and recommendations to the Governor.* [On recommendation of the head of a department concurred in by the Commissioner of Finance, the Governor in writing may authorize the head of any statutory department to establish additional divisions, divide or combine existing divisions, change the name of divisions, or transfer functions and staff from one division to another within his department. The Commissioner of Finance, with prior written approval of the Governor, may authorize any department head to create, combine or divide subordinate units within a division or institution, or otherwise alter the internal organization of a division or institution.]

Section 7. A new section of KRS 12.010 to 12.070 is created to read as follows:

When the Governor effects a reorganization under KRS 12.025 to 12.030, by executive order, he shall clearly designate the order as one relating to reorganization. The Secretary of State shall keep a separate journal of all executive orders relating to organization, and he shall keep a current index to this separate journal.

Section 8. Section 12.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) The heads of departments [enumerated in KRS 12.020] shall have direction and control of their respective departments, and through their departments shall exercise the powers and perform the duties vested in the departments under their direction and control. [and in any agencies thereof] Except as otherwise expressly provided by law, the heads of [statutory administrative] departments shall be appointed by the Governor for terms not exceeding four years on the basis of their merit and fitness to perform the duties of their respective offices.

(2) Each department head shall maintain a pattern of organization capable of receiving the attachment of administrative bodies that have functions related to the general function of his department.

(3) Within the resources of his department, each department head shall provide administrative bodies in his department with such facilities and services as will enable those bodies to carry out the functions with which they are charged.

(4) [(2)] The heads of all departments shall exercise supervision over the personnel and financial records of their respective departments.

(5) [(3)] In case of a vacancy or in the absence or disability of the head of a [statutory administrative] department, the Governor may authorize the head of a division or other administrative officer to act as head of the department.

Section 9. A new section of KRS 12.010 to 12.070 is created to read as follows:

(1) For each agency established, the Governor shall appoint an administrator, who shall be a person with experience or training in administration, who shall serve at the Governor's pleasure. The position of agency administrator is not within the state classified service.

(2) The administrator shall coordinate programs conducted by the departments and commissions in his agency and shall coordinate the agency programs with related programs conducted by all other departments, commissions and agencies.

(3) The administrator shall continuously study the programs of public service or regulation administered by the departments and commissions in his agency. When various aspects of a single broad program are being administered by two or more departments or commissions in his agency, or when a clearly needed program has not been assumed by any department or commission, the administrator shall consult with all department heads and commissions concerned and determine the most economical and efficient course of action.

(4) The administrator shall continuously study the internal administration of his agency and of each department and commission in it. When the economy or efficiency, or both, of the operations of departments and commissions in his agency can be increased by the consolidation of facilities or services, the administrator may recommend to the Governor that the necessary consolidation be effected under provisions of KRS 12.030. He may recommend consolidation of these facilities or services in a separate administrative unit, or he may recommend that facilities or services existing in one department or commission be expanded to serve the entire agency.

(5) The administrator is granted all powers reasonably necessary to enable him to discharge the duties placed on him.

(6) In case of a vacancy or in the absence or disability of the administrator of an agency, the Governor may authorize the head of a department or other administrative officer to act as administrator of the agency.

Section 10. Section 12.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as otherwise expressly provided by law, the members of each administrative board or commission shall be citizens of Kentucky appointed by the Governor from the state at large on the basis of their interests in public affairs, their good judgment, and their knowledge and ability in the field of action of the department for which appointed, with a view to providing diversity of interests and points of view in the membership and without regard to their political or religious opinions or affiliations. Before entering upon the duties of their office, all members of administrative boards and commissions shall take the oath of office prescribed by Section 228 of the Constitution. Where appointments to administrative boards and commissions are made from lists submitted to him, the Governor may reject the list and require that other lists be submitted.

(2) When a board, commission, or similar administrative body is established and no provision is made for compensation of members, members shall serve without pay, but may receive reimbursement for their actual and necessary expenses.

Section 11. Subsection (2) of Section 64.640 of the Kentucky Revised Statutes is amended to read as follows:

(2) The Governor shall set the compensation payable out of the State Treasury to each office or position in the state service hereinafter named but such compensation shall not exceed the maximum sums listed herein:

(a) Adjutant General, Commissioner of Alcoholic Beverage Control, Executive Director of the State Tuberculosis Sanatoria Commission, *Commissioner of Child Welfare,* Commissioner of Conservation, Commissioner of *Commerce,* [Economic Development] Commissioner of Economic Security, Commissioner of Finance, Commissioner of Health, Commissioner of Highways, [Commissioner of Mental Health,] Commissioner of Public *Information,* [Relations] Commissioner of Public Safety, Commissioner of Revenue, Commissioner of Banking *and Securities,* Commissioner of Insurance, Commissioner of Motor Transportation, Commissioner of Personnel, Commissioner of *Corrections,* [Welfare] *Commissioner of Mines and Minerals,* $12,000.

(b) Administrator of Distilled Spirits Unit, Administrator of Malt Beverages Unit, [Chief of the Department of Mines and Minerals] Commissioner of Aeronautics, Commissioner of Fish and Wildlife Resources, Commissioner of Industrial Relations, Director of the [Kentucky Crippled Children's] Commission *for Handicapped Children,* Manager of the Kentucky State Fair, Reviser of Statutes, Chairman of the Public Service Commission, $10,000;

(c) Members of the Public Service Commission of Kentucky, other than the chairman, $9,000; members of the Workmen's Compensation Board, the provisions of KRS 64.660 to the contrary notwithstanding, and heads of statutory departments and agencies other than those named in paragraphs (a) and (b) of this subsection, $7,500.

Section 12. This Article becomes effective July 1, 1962; however, this section is not intended to prevent the provisions of other articles of this Act that contain no effective date clause from becoming effective at an earlier time.

ARTICLE II. Department of State

Section 1. As used in KRS Chapters 116, 117, 118, 119 and 124, the terms "State Board of Election Commissioners," "State Board of Registration and Purgation," and, where applicable, "state board," mean the State Board of Elections.

Section 2. Section 116.010 of the Kentucky Revised Statutes is amended to read as follows:

There shall be a State Board of *Elections* [Election Commissioners] consisting of the Secretary of State and two commissioners appointed by the Governor, in the month of April each year, for a term of one year and until their successors are appointed and qualified. The appointed commissioners shall be at least twenty-five years of age and shall be qualified electors of this state. One commissioner shall be appointed from each of the two political parties that polled the largest vote in the last preceding election for state officials or presidential electors. If names are designated to the Governor in writing by the state central committees of the parties, the appointments shall be made from those names. The commissioners shall qualify by taking, before the Secretary of State, an oath faithfully to perform their duties according to law. The Secretary of State shall make a certificate of the qualification, which shall be noted upon the record of the proceedings of the board and preserved among its records. Vacancies shall be filled by appointment by the Governor in the same manner as provided for original appointments, and the person appointed to fill the vacancy shall be of the same political party as his predecessor.

ARTICLE III. Department of Public Safety

Section 1. (1) The Public Safety Advisory Committee is established in the Department of Public Safety. The committee shall advise the Commissioner of Public Safety on matters relating to local fire departments, liquefied petroleum gas safety, traffic safety, and on other matters on which the Commissioner of Public Safety may require advice. The Commissioner of Public Safety is chairman of the committee, and he may divide the committee into subcommittees.

(2) The Governor shall appoint members of the committee, on recommendation of the Commissioner of Public Safety. The Governor may appoint members from the memberships of previously existing boards or committees that had functions similar to those of the committee. He may appoint members to serve at his pleasure, or he may appoint them for terms, and if he so elects he may stagger terms.

Section 2. (1) The Department of Public Safety shall:

(a) Receive and file fingerprints, photographs and other records pertaining to the investigation of crime and the apprehension of criminals; and

(b) cooperate with the state, county and city law enforcing agencies of other states and of the United States in order to develop and carry on an interstate and national system of criminal identification.

(2) Persons in charge of any penal or correctional institution in the state, and all state law enforcement and peace officers operating identification facilities shall cooperate in providing the department with fingerprints and descriptions of all persons lawfully committed to their custody or detained by them in cases where fingerprints and descriptions are taken, together with a report of the disposition of all cases of such persons.

Section 3. Sections 17.220, 17.230, 17.240, 196.090, and 234.170 of the Kentucky Revised Statutes are repealed.

ARTICLE IV. Department of the Treasury

Section 1. Sections 135.140, 135.150, 135.160, 135.170, and 135.180 of the Kentucky Revised Statutes are repealed.

ARTICLE V. Department of Finance

Section 1. The functions of the state relating to archives and records, set out in KRS 171.410 to 171.740, are assigned to the Department of Finance. The Commissioner of Finance shall establish within the department an administrative unit to administer the provisions of KRS 171.410 to 171.740. The department shall receive advice from the State Archives and Records Commission and matters relating to archives and records.

Section 2. (1) As used in KRS 171.410 to 171.740:
"Archives and Records Service," "service," "Directors of the Archives and Records Service," and "director" mean "Department of Finance";

(2) As used in KRS 171.450, 171.460, 171.470, 171.480, 171.500, 171.510, 171.520, 171.530, 171.540, 171.550, 171.560, 171.570, 171.580,

171.590, 171.600, 171.610, 171.620, 171.630, 171.660, and 171.680: "State Archives and Records Commission" and "commission" mean "Department of Finance."

Section 3. Section 171.420 of the Kentucky Revised Statutes is amended to read as follows:

The State Archives and Records Commission, [hereinafter referred to in KRS 171.410 to 171.740 as the Commission] is hereby created and shall be a nine member body constituted as follows: *The Commissioner of Finance, who shall be the chairman of the commission, the Auditor of Public Accounts, the Chief Justice of the Court of Appeals, the Chairman of the Legislative Research Commission, the Attorney General, one member appointed by the Governor from a list of three persons submitted by the President of the University of Kentucky, one member appointed by the Governor from a list of three persons submitted by the President of the Kentucky Historical Society, one member appointed by the Governor from a list of three persons submitted by the President of the Kentucky Librarians Association, and one member appointed by the Governor from a list of five persons with one name submitted by each of the presidents of the state colleges.* [Three members appointed by the Governor from the state-at-large, one member appointed by the Governor from a list of three persons submitted by the President of the University of Kentucky, one member appointed by the Governor from a list of three persons submitted by the President of the University of Louisville, one member appointed by the Governor from a list of five persons with one name submitted by each of the Presidents of the State Colleges, the Attorney General of the Commonwealth, and one each appointed by the Governor from a list of three persons submitted by the Kentucky Historical Society and the Filson Club respectively; provided that three of the initial appointments under KRS 171.410 to 171.740 shall be for a term of four years, and two appointments shall each be for terms of three, two, and one years, respectively. The Governor shall designate a chairman from among the commission membership.] Vacancies shall be filled by the Governor in the same manner as initial appointments are made. All members shall serve for a term of four years, *provided that one of the initial appointments shall be for a term of four years, one for three years, one for two years, and one for one year.* The commission shall *advise the Department of Finance on matters relating to archives and records, and shall determine questions on destruction of records as set out in KRS 171.670.* [appoint a Director of the Archives and Records Service, hereinafter referred to as the director, who shall act as secretary. The director shall not be a member of the commission nor shall he have a right to vote on commission measures. The director shall serve at the pleasure of the commission.]

Section 4. Section 171.670 of the Kentucky Revised Statutes is amended to read as follows:

When there is a question whether a particular record or group of records should be destroyed, the commission shall decide whether or not the record or group of records are to be destroyed. [Subject to rules and regulations promulgated by the commission, any state agency or subdivision may, upon a finding by the principal officer thereof that public records maintained by it are of no further value, destroy or otherwise dispose of said records. Where such destruction or other disposition is not governed by rule or regulation of the commission, approval of the commission shall be secured prior to the destruction or other disposition of the records.]

Section 5. As used in Sections 6 and 7 of this Article, "divisions" means the Division of Occupations and Professions.

Section 6. The Division of Occupations and Professions is established in the Department of Finance. The division is headed by a director, appointed by the Commissioner of Finance with the approval of the Governor.

Section 7. (1) The function of the division is to provide administrative services to the following boards and commissions at the request of the individual boards or commissions, all of which maintain their identity and their full authority for making policy decisions in the fields that they regulate:

The State Board of Accountancy, the office of the Boxing Commissioner, the State Board of Examiners and Registration of Architects, the Kentucky Board of Barbering, the Kentucky Board of Hairdressers and Cosmetologists, the State Board of Chiropody, The Kentucky State Board of Chiropractic Examiners, the Kentucky State Board of Dental Examiners, the State Board of Embalmers and Funeral Directors, the State Board of Registration for Professional Engineers, the Board of Nursing Education and Nurse Registration, the Kentucky Board of Opthalmic Dispensers, the Kentucky Board of Optometric Examiners, the Kentucky Board of Pharmacy, the State Board of Physical Therapy, the Board of Examiners of Psychologists, the State Real Estate Commission, the Kentucky Board of Veterinary Examiners, and the Kentucky Board of Examiners in Watchmaking.

(2) To the extent that the division does provide administrative services, the respective boards and commissions are relieved of the power and duty to provide the services for themselves. The division shall charge each board or commission a reasonable amount for administrative services provided pursuant to subsection (1). The division may employ persons previously employed by boards or commissions.

Section 8. The activation of the provisions of Sections 6 and 7 of this Article is conditional on the Governor's finding that the interests of economy and efficiency in state government require it. If and when the Governor does so find, he shall declare his findings in an executive order, and direct the Commissioner of Finance to activate the provisions of Sections 6 and 7 of this Article.

Section 9. As used in KRS Chapter 229, "Department of Business Regulation" or "department" means "Boxing Commissioner."

Section 10. The office of Boxing Commissioner is established. The Boxing Commissioner shall be appointed by the Governor, who shall fix details of tenure and compensation.

Section 11. Sections 14.210, 14.220, 14.230 and 171.490 of the Kentucky Revised Statutes are repealed.

Section 12. This Article becomes effective July 1, 1962.

ARTICLE VI. Department of Commerce

Section 1. Section 152.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter unless the context requires otherwise:

(1) *"Department" or "Department of Economic Development" shall mean Department of Commerce;*

[(1) "Department" shall mean the Department of Economic Development;]

(2) [(3)] "Commission" shall mean the Economic Development commission;

[(2) "Board" shall mean either the Agricultural Development Board or the Industrial Development Board as the context shall require;]

(3) "Commissioner" or "Commissioner of the Department of Economic Development" shall mean Commissioner of the Department of Commerce;

[(4) "Commissioner" shall mean the Commissioner of the Department of Economic Development.]

Section 2. Section 152.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) There is hereby created an agency of the state government to be known as the Department of *Commerce,* [Economic Development,] which shall constitute a [statutory administrative] department

of the state government within the meaning of KRS Chapter 12. The department shall consist of a commissioner, [an Agricultural Development Board, an Industrial Development Board,] an Economic Development Commission and such *administrative bodies and* employes as are provided *by law.* [in this chapter.]

[(2) The Department shall be the successor to the Agricultural and Industrial Development Board and all records, properties, facilities, responsibilities and employes of that agency are hereby transferred to this department.]

(2) [(3)] The department, subject to the provisions of KRS 12.010 through 12.190 shall be organized into a division devoted to agricultural development, a division devoted to industrial development, and such other divisions and sections as are from time to time deemed necessary for the proper and efficient operation of the department.

(3) [(4)] The executive officer of the department shall be the Commissioner of the Department of *Commerce.* [Economic Development.] He shall be appointed by the Governor and shall serve at the pleasure of the Governor. The commissioner shall have general supervision and direction over all activities and functions of the department and its employes, and shall be responsible for carrying out the programs and policies *of the department.* [determined by the boards and the Governor.] He shall be the chief executive officer of the department and, as such, shall have authority to enter into contracts, subject to the approval of the Commissioner of Finance, when such contracts are deemed necessary to implement and carry out the program of the department. He shall reimburse the travel expenses of the commission. [and board members.]

Section 3. Section 152.050 of the Kentucky Revised Statutes is amended to read as follows:

There is hereby created in the department an Economic Development Commission composed of not more than twenty-one members. The Commissioner of Agriculture and the Commissioners of the Departments of Industrial Relations and Commerce shall serve, ex officio. The other eighteen members shall be appointed by the Governor for terms of one year. The Governor shall designate one of the members to serve as Chairman, and the Commissioner of Commerce shall act as Secretary. The commission shall serve in an advisory capacity to the Commonwealth in the planning and development of its total program for economic development. The cost of administrative facilities and services for the commission shall be paid by the Department of Commerce.

[(1) There is hereby created in the department an Economic

Development Commission comprised of the Commissioner and eight members who shall be appointed by and serve at the pleasure of the Governor. Four members shall be appointed from the membership of the Agricultural Development Board and a like number from the membership of the Industrial Development Board.

(2) The commissioner shall serve, ex officio, as chairman of the commission, which shall meet at his call as a joint body representing both boards.

(3) It shall be the function of the commission to act as the executive committee of the department in resolving all matters of policy as determined by the two boards and, by formal action, to translate these policies into an effective program of activities designed to promote and expand the agricultural and industrial development of the Commonwealth.]

Section 4. Section 152.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department shall prepare and publish as often as is deemed necessary an inventory of the human and natural resources of the Commonwealth; and shall assemble and keep in the offices of the department such information relating to natural resources, labor supply, water, fuel, power, taxation, and assessments, transportation and communication facilities and such other information as may be useful in executing the provisions of this chapter. Such information shall [subject to the rules and regulations of the commission] be made available to any enterprise which, in the discretion of the commissioner, is legitimate, and which contemplates location or operation within the Commonwealth. Such information shall, in the discretion of the commissioner, be made available to any governmental or private agency interested in securing the location or operation of any such legitimate enterprise within the Commonwealth.

(2) The department shall obtain from enterprises interested in locating and operating within the Commonwealth information relating to the nature of the enterprise, its financial responsibility, manpower requirements, probable consumption of raw materials and such other information as may be useful in securing the location of such enterprise in the Commonwealth, and shall make such information [subject to the rules and regulations of the boards and the commission,] available to any agency interested in securing the location or operation of such enterprises within the Commonwealth.

Section 5. (1) The Division of Arts and Crafts is established in the Department of Commerce.

(2) The Division shall:

(a) Promote community interest in the development of the handicraft and home industries;

(b) Evaluate the potential of the productive capacity of the various areas of the state;

(c) Assist in establishment of craft centers;

(d) Assist in training and supervision of artists and craftsmen;

(e) Provide marketing assistance to producers of craft items;

(f) Provide management advice to craftsmen and craft centers;

(g) Assist persons or groups engaged in the handicraft industry in arranging for financing;

(h) Engage in other activities designed to promote and further the Kentucky arts and crafts industry.

Section 6. Sections 152.030 and 152.040 of the Kentucky Revised Statutes are repealed.

ARTICLE VII. Department of Public Information

Section 1. A new section of KRS Chapter 153 is created to read as follows:

As used in this chapter, "Department of Public Relations" means "Department of Public Information."

ARTICLE VIII. Department of Libraries

Section 1. As used in KRS 1771.130 to 171.300, unless the context requires otherwise: "Department," "Library Extension Division," "extension division," and "division" mean the Department of Libraries.

Section 2. Section 171.130 of the Kentucky Revised Statutes is amended to read as follows:

The Department of Libraries is established. The department shall be headed by a State Librarian who shall be appointed by and serve at the pleasure of the Governor, and who shall have had technical training in the field of library science.

[The agency of the state government heretofore known as the Library Extension Division of the Department of Library and Archives shall hereafter constitute an independent agency of the state government, within the meaning of KRS Chapter 12, under the name of Library Extension Division. The division shall be headed by a director who shall be appointed by and serve at the pleasure of the Governor, and who shall receive a salary to be fixed by the Governor, subject to the provisions of KRS 64.640. The director shall have had technical training in the field of library science and shall have had at least two years of library experience in an administrative capacity.]

Section 3. Section 171.202 of the Kentucky Revised Statutes is amended to read as follows:

The State Librarian shall administer the provisions of KRS 171.201 to 171.205. The Commissioner of Finance shall approve expenditures of funds under these sections.

[The Director of the Library Extension Division, the Commissioner of Finance and the Attorney General shall constitute a Public Library Service Commission for the purpose of administering the provisions of KRS 171.201 to 171.205. The commission shall elect a chairman and a secretary from among its members. It shall promulgate rules and regulations for the administration of KRS 171.201 to 171.205 and for the allocation of funds appropriated for the purposes of KRS 171.201 to 171.205. In allocating funds to counties, the commission shall give primary consideration to the need for additional library service in each county.]

Section 4. Section 171.203 of the Kentucky Revised Statutes is amended to read as follows:

Any funds appropriated for the purposes of KRS 171.201 to 171.205 shall be expended for aiding in the establishment, extension and development of local public library facilities (exclusive of library buildings, equipment and furniture) through the purchase of books or bookmobiles, through technical assistance, educational and promotional programs, and such other methods and services as will best accomplish the purpose. Funds in the Public Library Service Fund shall be paid out by the State Treasurer on warrants drawn by the Commissioner of Finance on order of the *State Librarian.* [Public Library Service Commission]

Section 5. Section 171.204 of the Kentucky Revised Statutes is amended to read as follows:

To the extent of funds available, grants shall be made to counties applying for state aid, in the order in which they meet the requirements established by the *State Librarian.* [Public Library Service Commission] Grants-in-aid thus provided shall not exceed $5,000 to any county. Each county receiving a state grant shall expend from local funds, for countywide public library service during the years for which aid is received a sum equal to at least five percent of the amount received from state funds; the ratio of matching to be based on local financial ability as determined by the assessed valuation of the county.

Section 6. (1) There is hereby established a Library Science Scholarship Fund.

(2) The State Librarian may grant scholarships for study in library science at an institution within the Commonwealth which is accredited by the American Library Association or the Southern Association of Colleges and Secondary Schools.

(3) The State Librarian shall receive and consider all applications for scholarships for study in library science and may grant a scholarship to applicants who are residents of this Commonwealth and who are deemed by the State Librarian to be qualified. The State Librarian shall make a careful and full investigation of the ability, character and qualifications of each applicant and may personally examine each applicant. The State Librarian shall, whenever possible, grant financial assistance to the applicants with the greatest financial need, provided such persons are found to possess such qualities as give reasonable assurance of their successfully completing the course of study made possible by the scholarship.

(4) A scholarship shall not exceed two thousand dollars per annum and no recipient of a scholarship shall receive more than two thousand dollars for his entire course of study.

Section 7. (1) To be eligible for a scholarship, an applicant shall contract in writing with the State Librarian that he will, within six months from the date he completes his term of study, accept employment with a library program approved by the State Librarian for a period to be computed at the rate of one year for each one thousand dollars received, or proportional time for lesser amounts.

(2) If the recipient of a scholarship fails to fulfill his obligations under the contract for a scholarship the entire amount of scholarship benefits received plus six percent interest thereon shall become due and payable.

(3) Upon recommendation of the State Librarian, the Attorney General shall institute proceedings for the purpose of recovering any amount due the Commonwealth under the provisions of this section.

Section 8. This Article becomes effective July 1, 1962.

ARTICLE IX. Department of Economic Security

Section 1. As used in Sections 1 to 6 of this Article, unless the context otherwise requires, "Commission" means the Kentucky Commission on Employment of the Physically Handicapped.

Section 2. (1) There is hereby created a Kentucky Commission on Employment of the Physically Handicapped within the Department of Economic Security. The commission shall consist of twenty-two members and shall include the Commissioner of the Department of Economic Security, the Superintendent of Public Instruction and twenty members to be appointed by the Governor. A chairman of the commission shall be elected at the first meeting and annually thereafter from the twenty appointed members.

(2) Of the twenty members first appointed by the Governor five shall serve for terms of one year, five for terms of two years, five for terms of three years and five for terms of four years. At the expiration of these terms appointments shall be for terms of four years. All twenty appointees shall be eligible for reappointment and shall serve until their successors have been appointed and qualified. Vacancies occurring prior to the expiration of a term shall be filled by the Governor for the remainder of the unexpired term.

(3) The commission shall meet at least four times annually on call of the chairman or on the written request of any eleven members. A majority of the members of the commission shall constitute a quorum for the transaction of business. If at any time the Commissioner of the Department of Economic Security or the Superintendent of Public Instruction is unable to attend a commission meeting he shall designate another person who has authority to act in his behalf at the meeting and who shall be considered a member of the commission for the purpose of obtaining a quorum and transacting business.

Section 3. (1) The commission with the approval of the Department of Economic Security may employ such additional personnel as may be reasonably necessary for the performance of the duties prescribed by Sections 1 to 6 of this Article and may create such advisory committees as it deems necessary. The commission shall designate a commission member as chairman of each advisory committee.

(2) The advisory committee members and the twenty appointed members of the commission shall serve without compensation but shall be reimbursed by the Department of Economic Security for necessary and actual travel expenses incurred in carrying out the duties of the commission as set forth in Section 4 of this Article. Members of the advisory committees or the commission shall not be reimbursed for their expenses if they are employed by any state, federal or county agency and are allowed travel expenses by their employers.

Section 4. The duties of the commission shall be to:

(1) Promote and aid in the establishment of local programs and services for the physically handicapped;

(2) Conduct continuing programs of public information and promotion to educate the public as to problems of the physically handicapped;

(3) Review existing state programs for the physically handicapped and make recommendations to the Governor, to the ap-

propriate departments and agencies of the state, and to the General Assembly for improvements in and additions to such programs;

(4) Assist and encourage governmental and private agencies to coordinate their efforts on behalf of the physically handicapped;

(5) Cooperate with the federal government and with the governments of other states and cities in programs relating to the physically handicapped;

(6) Cooperate with all groups interested in job adjustment and employment of the physically handicapped, including government agencies, organizations, private groups and individuals;

(7) Furnish the Department of Economic Security an annual report together with recommendations.

Section 5. The Department of Economic Security shall provide the commission with such staff assistance and information as it may require for proper performance of its duties as provided for in Sections 1 to 6 of this Article.

Section 6. The commission shall be empowered to accept gifts and grants at its discretion. Such funds shall go into a trust and agency fund to be disbursed by the Commission in furtherance of the provisions of Sections 1 to 6 of this Article.

Section 7. Section 195.030 of the Kentucky Revised Statutes is repealed.

Section 8. Sections 1 to 6 of this Article become effective July 1, 1962.

ARTICLE X. Department of Corrections

Section 1. Section 196.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in this chapter, unless the context requires otherwise:

(a) *"Commissioner of Welfare" or "commissioner" means "Commissioner of Corrections;"* ["Commissioner" means Commissioner of Welfare;]

(b) *"Department of Welfare" or "department" means "Department of Corrections."* ["Department" means Department of Welfare;]

(2) As used in KRS 196.020 to 196.260, unless the context otherwise requires, "institution" means any institution under the control of the Department of *Corrections.* [Welfare]

Section 2. Section 196.020 of the Kentucky Revised Statutes is amended to read as follows:

The Department of Corrections is established. The department is headed by a commissioner, to be appointed by the Governor.

[The Department of Welfare shall be headed by a Commissioner of Welfare and shall be advised by a Board of Welfare. The Commissioner of Welfare shall be the executive head of the department, with sole charge of the administration of the department, and shall serve as chairman ex officio of the Board of Welfare.

(2) The advisory Board of Welfare shall be composed of five members appointed by the Governor for terms of four years and until their successors are appointed and have qualified. Members shall be appointed for terms every four years beginning as follows: One member on January 1, 1937; one member on January 1, 1938; two members on January 1, 1939; and one member on January 1, 1940.

(3) The members of the board shall be allowed a per diem of ten dollars and expenses for each day they are on official duty.]

Section 3. Section 196.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department shall, unless otherwise provided by law, exercise all functions of the state in relation to:

(a) Management of penal, reform and correctional institutions;

(b) [(d)] Supervision of probation and parole;

[(b) Control and management of state institutions for children]

[(c) Management of state institutions for feeble-minded persons]

[(e) Supervision of juvenile probation]

[(f) Control and care of feeble-minded persons committed to the department]

[(g) Operating a laboratory of criminal identification and statistics]

(c) [(h)] The giving of assistance to other departments, agencies and institutions of the state and federal government when requested by performing services in conformity with this section;

(d) [(i)] Acting as the agent of the federal government in matters of mutual concern, and in the administration of any federal funds granted to the state to aid in the performance of any function of this department.

(2) The provisions of this section shall not apply to any institution, home or agency which does not receive aid from the state, or a county or municipality.

Section 4. Section 196.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department shall be divided into:

(a) A Division of [Corrections] *Institutions,* headed by a director who is thoroughly trained and experienced in penology and prison management;

(b) A Division of Probation and Parole, headed by a director who is thoroughly trained and experienced in probation and parole work;

(c) A Division of Farm Management headed by a director who is thoroughly trained and experienced in farm management and the latest farming techniques. [A Division of Children's Institutions, headed by a director who is trained and experienced in the treatment and rehabilitation of children committed to public care]

(d) A Division of Staff Services headed by a director who is trained and experienced in budget preparation and fiscal management.

(2) The divisions shall be under the direction of the Commissioner of *Correction.* [Welfare]

Section 5. Section 196.070 of the Kentucky Revised Statutes is amended to read as follows:

The *Director of the* Division of [Corrections] *Institutions* shall:

(1) Supervise and administer the Kentucky State Reformatory at LaGrange [and its divisions] located in Shelby County [and at Frankfort] *and the Women's Prison,* the Kentucky State Penitentiary at Eddyville, *or any divisions of those institutions, and the prison industry program within those institutions.* [and the Houses of Reform at Greendale]

(2) Supervise the employment of prisoners, who have not been paroled *or conditionally released,* either within or without the walls or enclosures of these institutions.

(3) Have the authority to transfer, with the approval of the commissioner and the Commissioner of Finance, appropriated funds from the budget of one penal institution to another.

(4) Determine and certify to the Parole Board the parole eligibility dates of prisoners confined in the penal institutions, in accordance with the provisions of KRS 439.110.

(5) Determine minimum, maximum, and conditional release dates of prisoners in accordance with KRS 197.045.

(6) Authorize the transfer of male prisoners between institutions.

(7) Approve the forfeiture or restoration of good time earned by prisoners during their term of confinement.

Section 6. Section 196.160 of the Kentucky Revised Stautes is amended to read as follows:

The commissioner shall appoint a superintendent, a receiver and other necessary employes for each of the state penal and correctional institutions. [and for the state institution for the feeble-minded] *The compensation of these officers and employes may include maintenance.* [and shall fix their compensation, which may include maintenance, in accordance with the provisions of KRS 64.640]

Section 7. Section 196.245 of the Kentucky Revised Statutes is amended to read as follows:

Notwithstanding the provisions of KRS 438.020 to 438.040, the commissioner is authorized to permit or prohibit the practice of smoking by the inmates of the penal institutions, [and houses of reform] regardless of the age of the inmates, whenever he believes such regulation will enhance or improve the discipline of the inmates of these institutions.

Section 8. A new section of KRS Chapter 196 is created to read as follows:

All personnel of the department, while acting for the department in any capacity entailing the maintenance of custody over any prisoners shall have all the authority and powers of peace officers.

Section 9. Subsection (2) of Section 197.020 of the Kentucky Revised Statutes is amended to read as follows:

(2) "Department" means Department of *Corrections;* [Welfare]

Section 10. Section 439.250 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 439.250 to 439.560, unless the context requires otherwise:

(1) *"Commissioner of Welfare" or* "commissioner" means the Commissioner of *Corrections;* [Welfare]

(2) *"Department of Welfare" or* "department" means the Department of *Corrections;* [Welfare]

(3) "Director" means the Director of the Division of Probation and Parole;

(4) "Division" means the Division of Probation and Parole;

(5) "Board" means the parole board created by KRS 439.320;

(6) "Conditional releasee" means any person released under the provisions of KRS 197.045.

Section 11. Sections 196.170, 196.480, and 439.460 of the Kentucky Revised Statutes are repealed.

Section 12. This Article becomes effective July 1, 1962.

ARTICLE XI. Department of Mental Health

Section 1. A new section of KRS Chapter 210 is created to read as follows:

As used in this chapter, "mentally retarded" and "mentally defective" have the same meaning. They apply to one or more "mentally defective persons," as the singular of that term is defined in KRS 202.010.

Section 2. The Department of Mental Health shall:

(1) Maintain, operate, and assume program responsibility for all state institutions and facilities for mental retardation;

(2) Provide rehabilitation services for mentally retarded persons through educational and training programs;

(3) Provide medical and allied services to mentally retarded persons and their families;

(4) Encourage and assist communities to develop programs and facilities in the field of mental retardation;

(5) Sponsor or carry out research, or both, in the field of mental retardation;

(6) Assist other governmental and private agencies in the development of programs and services for mentally retarded persons and their families and for the prevention of mental retardation, and coordinate programs and services so developed.

Section 3. The Department of Mental Health may:

(1) Promulgate reasonable rules and regulations for the purposes of carrying out the provisions of Section 2 of this Article, including regulations establishing the minimum and maximum ages within which mentally retarded persons are eligible:

(a) to participate in programs operated by the department;

(b) to become patients in institutions operated by the department;

(2) Participate in the education and training of professional and other persons in the field of mental retardation, and may en-

courage and assist private and public agencies and institutions to participate in similar education and training;

(3) Do all other things reasonably necessary to carry out the provisions of Section 2 of this Article.

Section 4. A new section of KRS Chapter 210 is created to read as follows:

The Division of Mental Retardation is established in the Department of Mental Health. The head of the division shall be appointed by the Commissioner with the approval of the Governor.

Section 5. A new section of Chapter 210 of the Kentucky Revised Statutes is created to read as follows:

(1) There shall be established an Advisory Council on Mental Retardation attached to the Department of Mental Health.

(2) The Advisory Council on Mental Retardation shall be composed of five members, appointed by the Governor, for terms of four years. Members shall serve until their successors are appointed. The board shall elect from its membership a chairman. Members of the board shall serve without compensation but shall be reimbursed for necessary expenses incurred in the performance of their duties.

(3) The Advisory Council on Mental Retardation shall act in an advisory capacity to the Commissioner of Mental Health in regard to the mental retardation program.

Section 6. Section 202.005 of the Kentucky Revised Statutes is amended to read as follows:

Wherever used in this chapter, the terms "department" and "commissioner" mean [s] Department of Mental Health and Commissioner of Mental Health. [except that when they are used with reference to a state institution for the mentally defective, they shall mean Department of Welfare and Commissioner of Welfare]

Section 7. Subsection (3) of Section 203.010 of the Kentucky Revised Statutes is amended to read as follows:

(3) "Department" means the Department of Mental Health and "Commissioner" means the Commissioner of Mental Health. [except that where the terms are used with reference to a state institution for mental defectives, they shall be deemed to refer to the Department of Welfare and the Commissioner of Welfare]

Section 8. Sections 196.100, 196.200, 196.510, 196.520, 196.530, 196.540, 196.550, and 203.230 of the Kentucky Revised Statutes are repealed.

Section 9. This Article becomes effective July 1, 1962.

ARTICLE XII. Department of Health.

Section 1. (1) The Department of Health shall study the problems of alcoholism within the state, formulate and carry out programs of education designed to curb the excessive use of alcohol and reduce the number of alcoholics, establish such facilities and employ such personnel as are necessary and available for the diagnosis and rehabilitation of alcoholics, and accept for examination, diagnosis, guidance and treatment any person coming to it of his own volition for advice and guidance.

(2) The department may contract for space and facilities to be used for out-patient clinics, and may contract with hospitals and private doctors for the emergency hospitalization and care of chronic alcoholics. The department may enter into cooperative agreements with municipal and other agencies operating facilities for treating alcoholics, and it may employ such medical, psychiatric, psychological, secretarial and other assistance as may be necessary to carry out the purposes of this section.

(3) The department may accept gifts, bequests, contributions and patient fees, at its discretion, and use such funds to further the purposes of this section.

(4) The department may establish rules and regulations for the admission of patients to its facilities and may set fees for treatment. Fees shall be scaled according to the ability of the patient to pay.

Section 2. Section 222.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) [For the purpose of carrying out the provisions of KRS 222.010 to 222.070] There is hereby created a commission to be hereafter known as the Kentucky Commission on Alcoholism. [The commission shall constitute an agency independent of the administrative department provided for in Chapter 12 of the Kentucky Revised Statutes.]

(2) The commission shall consist of seven members with an interest in and knowledge of the alcoholism problem, said members to be appointed by the Governor. At least two of the seven members shall be doctors, and one of the doctors shall be a psychiatrist. Three members shall be appointed for a term of one year, two members shall be appointed for a term of two years and two members shall be appointed for a term of three years. At the expiration of these terms appointments shall be for terms of four years. Appointments shall be made by the Governor to fill any existing vacancies.

(3) The duties of the commission shall be to *advise the Department of Health on all matters relating to alcoholism.* [study the problems of alcoholism within the state, to formulate and carry out programs of education designed to curb the excessive use of alcohol and reduce the number of alcoholics, to establish such facilities and employ such personnel as are necessary and available for the diagnosis and rehabilitation of alcoholics, to accept for examination, diagnosis, guidance and treatment, insofar as funds permit, any person coming to it of his own volition for advice and guidance.]

[(4) A chairman and a vice-chairman of the commission shall be elected at the first meeting and every year thereafter. The commission shall keep a complete and accurate record of all its proceedings.]

Section 3. Sections 222.010, 222.025, 222.030, 222.040, 222.050, 222.060, and 222.070 of the Kentucky Revised Statutes are repealed.

ARTICLE XIII. Commission on Aging

Section 1. As used in this Article, unless the context otherwise requires:

"Commission" means the Kentucky Commission on Aging.

Section 2. (1) There is hereby created a Kentucky Commission on Aging, within the Health and Welfare Agency. The commission shall consist of sixteen members and shall include the Commissioner of the Department of Health, the Commissioner of the Department of Mental Health, the Commissioner of the Department of Economic Security, the Superintendent of Public Instruction and twelve members to be appointed by the Governor, not more than three of whom may be employees of the Commonwealth. A chairman of the commission shall be elected at the first meeting and annually thereafter.

(2) Of the citizen members first appointed four shall serve for terms of one year, four for terms of two years and four for terms of three years. At the expiration of these terms appointments shall be for terms of three years. All citizen members shall be eligible for reappointment and shall serve until their successors have been appointed and qualified. Vacancies occurring prior to the expiration of a term shall be filled by the Governor for the remainder of the unexpired term.

(3) The commission shall meet at least six times annually on call of the chairman or on the written request of any eight members. A majority of the members of the commission shall constitute a quorum for the transaction of business. If at any time the Commissioner of the Department of Health, the Commissioner of the Department of

Mental Health, the Commissioner of the Department of Economic Security, or the Superintendent of Public Instruction is unable to attend a commission meeting he shall designate another person who has authority to act in his behalf at the meeting and who shall be considered a member of the commission for the purpose of obtaining a quorum and transacting business.

Section 3. The administrator of the Health and Welfare Agency shall provide the commission with staff assistance, and shall administer the program of the commission.

Section 4. (1) The citizen members of the commission shall be reimbursed for necessary travel and other expenses incurred in the performance of their duties.

(2) The commission may create such advisory committees as it deems necessary and shall designate a commission member as chairman of each advisory committee.

Section 5. The duties of the commission shall be to:

(1) Promote and aid in the establishment of local programs and services for the aging;

(2) Conduct programs to educate the public as to problems of the aging;

(3) Review existing state programs of the aging and to make recommendations to the Governor, to the appropriate departments and agencies of the state, and to the legislature for improvements in and additions to such programs;

(4) Assist and encourage governmental and private agencies to coordinate their efforts on behalf of the aging;

(5) Conduct and encourage other organizations to conduct studies concerning the aging;

(6) Establish, in selected areas and communities of the state, programs of services for the aging to demonstrate the value of such programs, and to encourage local agencies to continue the programs and to create new services where needed. Emphasis shall be given to services designed to foster continued participation of older people in family and community life and to lessen the need for institutional care;

(7) Cooperate with the federal government and with the governments of other states in programs relating to the aging.

Section 6. The commission shall be empowered to accept gifts and grants at its discretion. Such moneys shall go into a trust and agency fund to be disbursed by the commission in furtherance of the purposes of this Article.

Section 7. This Article becomes effective on July 1, 1962.

ARTICLE XIV. Commission on Children and Youth

Section 1. As used in this Article, unless the context otherwise requires, "Commission" means the Kentucky Commission on Children and Youth.

Section 2. (1) There is hereby created within the Health and Welfare Agency, a Kentucky Commission on Children and Youth. The commission shall consist of twenty-four members to be appointed by the Governor. A chairman of the commission shall be elected at the first meeting and annually thereafter.

(2) Of the twenty-four members first appointed by the Governor six shall serve for terms of one year, six for terms of two years, six for terms of three years and six for terms of four years. At the expiration of these terms, appointments shall be for terms of four years. All twenty-four appointed members shall be eligible for reappointment and shall serve until their successors have been appointed and qualified. Vacancies occurring prior to the expiration of a term shall be filled by the Governor for the remainder of the unexpired term.

(3) The commission shall meet at least two times annually on call of the chairman or on the written request of any thirteen members. A majority of the members of the commission shall constitute a quorum for the transaction of business.

Section 3. (1) The administrator of the Health and Welfare Agency shall furnish the commission with necessary staff assistance, through either an administrative services unit of the agency or the facilities of a department within the agency.

(2) The commission may appoint such advisory committees as are necessary to advise it on specific matters relating to children and youth.

(3) Members of the commission shall serve without compensation but shall be reimbursed for necessary and actual expenses incurred in attending commission meetings.

Section 4. The duties of the commission shall be to:

(1) Promote and develop effective programs of education, health, recreation, welfare, public safety and correctional services for children and youth;

(2) Conduct continuing programs of public information to educate the public as to problems of children and youth;

(3) Assist and encourage governmental and private agencies to coordinate their efforts on behalf of children and youth;

(4) Cooperate with the federal government and with the governments of other states and cities in programs relating to children and youth;

(5) Conduct programs of research as to the needs of children and youth in order to facilitate more comprehensive and better related social planning and action;

(6) Cooperate with the Department of Child Welfare, the Department of Economic Security, the Department of Health, the Department of Mental Health, and the Commission for Handicapped Children in carrying out the duties prescribed by this section by making the fullest possible use of the experience and resources of those departments;

(7) Furnish the Governor a biennial report together with recommendations.

Section 4. The commission shall be empowered to accept gifts and grants at its discretion. Such funds shall go into a trust and agency fund to be disbursed in furtherance of the purposes of this Article.

ARTICLE XV. Department of Mines and Minerals

Section 1. Section 351.050 of the Kentucky Revised Statutes is amended to read as follows:

[On July 13 of every fourth year, beginning with 1934,] The Governor shall appoint a *Commissioner* [Chief] of the Department of Mines and Minerals. [for a term of four years] The oath taken by the *commissioner* [chief] of the department shall be in writing and certified by the officer administering it, and the oath and certificate shall be filed in the office of the Secretary of State. [The chief shall receive a salary of seventy-five hundred dollars per annum, payable monthly, and shall be paid his necessary traveling and other expenses incurred on account of and when engaged in the discharge of his official duties. The provisions of KRS 64.640 shall not apply to the salary of the chief.]

SR 26, A RESOLUTION to make payment to Mrs. Spencer Lamar Cobb for her services as State Senator.

WHEREAS, Spencer Lamar Cobb was duly elected State Senator from the Twenty-second District; and

WHEREAS, the said Senator Cobb was claimed by death before serving his term as State Senator; and

WHEREAS, his wife, Mrs. Spencer Lamar Cobb was duly elected to fill the vacancy,

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

1. That the paymaster for the General Assembly of the Commonwealth of Kentucky be directed to pay to Mrs. Cobb the same compensation paid to other senators. Payment shall be made as of January 1, 1962.

2. That a copy of this Resolution be delivered to the paymaster for the General Assembly and to Mrs. Spencer Lamar Cobb.

Committee on Administrative Agencies reported **SB 63, SB 96, SB 47, SB 84, SB 86, SB 120, SB 121, SB 99** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 63, AN ACT relating to "Detection of Deception Examiners," for licensing and regulating same.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Detection of Deception Examiner," hereinafter referred to as "Examiner", means any person, other than on a trainee, who uses any device or instrument to test or question individuals for the purpose of detecting deception.

(2) "Trainee" means any person who administers detection of deception examinations under the personal supervision and control of an examiner.

(3) "Person" means any natural person, partnership, association, corporation or trust.

(4) "Department" means the Department of Public Safety of the Commonwealth of Kentucky.

(5) "Commissioner" means the Commissioner of the Department of Public Safety of the Commonwealth of Kentucky.

Section 2. Every examiner shall use an instrument which records permanently and simultaneously the subject's cardiovascular and respiratory patterns as minimum standards, but such an instrument may record additional physiological changes pertinent to the detection of deception.

Secton 3. (1) No person shall administer a detection of deception examination, as set forth in Section 1 of this Act, or any imitation thereof, without first securing a trainee's license or an examiner's license. Each application for a trainee's license shall be made to the department within ten days of the commencement of the trainee's internship, and said application shall contain such information as may be reasonably required by the department. The department shall issue the trainee license free of charge. Each application for an examiner's license shall be made to the department in writing on forms provided by the department and shall contain such information as is required by the department to determine the eligibility of the applicant. Each application for an examiner's license shall be accompanied by a fee of twenty dollars, which is non-refundable.

(2) Each applicant for an examiner's license shall submit his fingerprints to the department together with a sworn affidavit that said applicant:

(a) Is a citizen of the United States;

(b) Is at least twenty-one years of age;

(c) Has administered detection of deception examinations for a period of at least two years using the instrumentation prescribed in Section 2 of this Act;

(d) Has completed a course of formal training in detection of deception in an institution accepted by the department; and

(e) Has not been convicted of a misdemeanor involving moral turpitude or a felony, or who has not been released or discharged under other than honorable conditions from any of the Armed Services of the United States, or any branch of the state, city or federal government.

(3) Upon receipt of an application for a trainee's license or for an examiner's license, the commissioner shall investigate each application, and no license will be issued until said investigation is complete.

Section 4. On the effective date of this Act, any person who has actually engaged in the occupation, business or profession of an examiner for a period of five years, and who has used for that period the instrumentation prescribed in Section 2 of this Act, shall, upon application within one year after the effective date of this Act and upon payment of the required license fee, be issued a license hereunder, without completion of formal training in an institution; provided, however, that the commissioner may require such applicant to submit satisfactory proof that he has so engaged for such period and has the other qualifications of an examiner as are set forth in this Act.

Section 5. (1) Each examiner's license shall be issued for the term of one calendar year or for such part thereof as remains at the time of the issuance thereof. Each examiner's license shall be renewed during the month of December of each year, and each examiner's not so renewed shall expire on December 31, of that year. A renewal fee of fifteen dollars shall accompany each renewal application for the examiner's license.

(2) An examiner whose license has expired may, at any time within five years after the expiration thereof, obtain a renewal license by making a renewal application therefor and by paying a renewal license fee for each year since the expiration of his license; provided, however, any examiner whose license expired while he was (a) on active duty with the Armed Forces of the United States, or (b) called into service or training with the State Militia, or (c) in a training or education program under the supervision of the United States preliminary to induction into the military service, may have his license renewed without paying any intervening renewal license fee if within two years after termination of such service, training or education, except under conditions other than honorable, he furnishes the department an affidavit to the effect that he has been so engaged and that his service, training or education has been so terminated. The commissioner shall, before issuing the renewal license, investigate each applicant during the expiration period.

(3) Each trainee's license shall be issued for the term of eighteen months. The department may renew or extend a trainee's license upon good cause shown for any term not to exceed eighteen months.

Section 6. (1) A license or duplicate license must be prominently displayed at each place of business of every examiner or trainee. The fee for a duplicate license is five dollars. Each license shall be signed by the commissioner and shall be issued under the seal of the department.

(2) Notice in writing shall be given to the department by such license holder of any change of principal business location whereupon, the department shall issue a new license for the unexpired period without charge. A change of business location without notification to the department and without the issuance by it of a new license shall automatically suspend the license theretofore issued.

Section 7. Each non-resident applicant for a trainee's license or examiner's license or a renewal license shall file an irrevocable consent that actions against the applicant may be filed in any appropriate court of any county or municipality of this Commonwealth in which the plaintiff resides or in which some part of the transaction occurred out of which the alleged cause of action arose and that process in any action may be served on the applicant by leaving two copies thereof with the commissioner of the department. Such consent shall stipulate and agree that such service of process shall be valid and binding for all purposes. The commissioner shall send forthwith one copy of the process to the applicant by registered or certified mail at the address shown on the records of the department.

Section 8. The department may deny, suspend or revoke any license on any one or more of the following grounds:

(1) Material misstatement in the application for a license or in the application for a renewal license.

(2) Wilful disregard or violation of this Act or of any regulation or rule issued pursuant thereto.

(3) If the holder of any license has been adjudged guilty of the commission of a felony or a misdemeanor involving moral turpitude.

(4) Making any wilful misrepresentation or false promises or causing to be printed any false or misleading advertisement for the purpose of directly or indirectly obtaining business or trainees.

(5) Having demonstrated unworthiness or incompetency to act as an examiner or trainee, as defined under this Act, in such manner as to effect the interests of the public.

(6) Allowing one's license under this Act to be used by an unlicensed person in violation of the provisions of this Act.

(7) Wilfully aiding or abetting another in the violation of this Act or of any regulation or rule issued pursuant thereto.

(8) Where the licensed holder has been adjudged mentally ill, mentally deficient or in need of mental treatment as provided in the Mental Health Code.

(9) Failing, within a reasonable time, to provide information requested by the department as the result of a formal or informal complaint to the department, which would indicate a violation of this Act.

Section 9. Any unlawful act or violation of any of the provisions of this Act upon the part of any examiner or trainee shall not be cause for revocation of the license of any other examiner for whom the offending examiner may have been employed, unless it shall appear to the satisfaction of the department that the examiner has wilfully aided or abetted the actions or activities of the offending examiner or trainee.

Section 10. The department shall publish, at least annually, a list of the names and addresses of all examiners and trainees and of all persons whose licenses have been suspended or revoked within that one year, together with such other information relative to the enforcement of the provisions of this Act as it may deem of interest to the public in the profession. One such list shall be mailed to the County Clerk of each county of the Commonwealth and shall be held by such County Clerk as a public record. Such list shall also be mailed by the department to any person in the Commonwealth upon request.

Section 11. The department may upon its own motion and shall upon the verified complaint in writing of any person setting forth facts which if proved would constitute grounds for denial, suspension or revocation of a license under this Act, investigate the actions of any applicant or any person holding or claiming to hold a license. The department shall, before denial, suspension or revocation of a license, at least ten days prior to the date set for the hearing, notify in writing the applicant or holder of a license of the nature of the charges and that a hearing will be held on the date designated. The hearing shall determine whether the applicant or holder, hereinafter called the respondent, is privileged to hold such license, and shall afford the respondent an opportunity to be heard in person or by counsel in reference thereto. Such written notice may be served by personal delivery to the respondent or by mailing the same by registered or certified mail with return receipt requested to the place of business last specified by the respondent on the records of the department. At the time and place fixed in the notice, the commissioner shall proceed to hear the charges, and both the respondent and complainant shall be accorded ample opportunity to present in person or by counsel such statements, testimony, evidence and argument as may be pertinent to the charges or to the defense thereto. The commissioner may continue such hearing from time to time. If the commissioner shall not be sitting at the time and place fixed in the notice or at the time and place to which the hearing shall have been continued, the commissioner shall continue such hearing for a period not to exceed thirty days.

Section 12. (1) The department, at its expense, shall provide a stenographer to take down the testimony and preserve a record of all proceedings at the hearing of any case involving the denial, suspension or revocation of a license. The notice of hearing, complaint and all other documents in the nature of pleadings and written motions filed in the proceedings, the transcript of testimony, the report of the commissioner and orders of the department shall be the records of such proceedings. The department shall furnish a transcript of such record to any person interested in such hearing upon the payment therefor of seventy-five cents per page for each original transcript and twenty-five cents per page for each carbon copy thereof ordered with the original; provided, however, the charge for any part of such transcript ordered and paid for previous to the writing of the original record thereof shall be twenty-five cents per page.

(2) In any case involving the denial, suspension or revocation of a license, a copy of the commissioner's report shall be served upon the respondent by the department, either personally or by registered or certified mail as provided in this Act for the service of the notice of hearing. Within twenty days after such service, the respondent may present to the department a motion in writing for a rehearing, which written motion shall specify the particular grounds therefor. If no motion for rehearing is filed, then upon the expiration of the time specified for filing such a motion, or if a motion for rehearing is denied, then upon such denial, the commissioner may enter an order in accordance with recommendations of the department. If the respondent shall order and pay for a transcript of the record within the time for filing a motion for rehearing, the twenty day period within which such a motion may be filed shall commence upon the delivery of the transcript to the respondent.

Section 13. Any circuit court, either in term time or vacation, may, upon application of the commissioner or of the applicant or licensee against whom proceedings upon Section 11 of this Act are pending, enter an order requiring the attendance of witnesses and their testimony, and the production of documents, papers, files, books and records in connection with any hearing in any proceedings under that Section.

Section 14. Any person affected by a final administrative decision of the department may have such decision reviewed judicially by the Circuit Court of Franklin County.

Section 15. Upon the revocation or suspension of any license, the licensee shall forthwith surrender the license to the department, and if the licensee fails to do so, the department shall have the right to seize the same.

Section 16. If any person violates the provisions of this Act, the commissioner shall, in the name of the People of the Commonwealth of Kentucky, through the Attorney General of the Commonwealth of Kentucky, apply, in any court of competent jurisdiction, for an order enjoining such violation or for an order enforcing compliance with this Act. Proceedings under this section shall be in addition to, and not in lieu of, all other remedies and penalties provided by this Act.

Section 17. An order or a certified copy thereof, over the seal of the department and purporting to be signed by the commissioner, shall be prima facie proof thereof;

(1) That such signature is the genuine signature of the commissioner;

(2) That such commissioner is duly appointed and qualified; and,

(3) That the commissioner and department thereof are qualified to act.

Section 18. Section 3 (1), Section 5 (1), and Section 6 (1) of this Act, relating to fees charged applicants for a license, shall not apply to any department of the United States or any agency of the city, county or state of the Commonwealth of Kentucky provided that no fee is charged for administration of the test.

Section 19. Should any one or more provisions of this Act be held invalid, such invalidity shall in no manner affect any of the other provisions hereof.

Section 20. Any person who violates any of the provisions of this Act shall, for each violation, be fined not less than twenty dollars nor more than five hundred dollars.

SB 96, AN ACT relating to Workmen's Compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 342.235 of the Kentucky Revised Statutes is amended to read as follows:

The board and its employees or authorized representatives shall, for traveling necessitated by the discharge of official duties, be reimbursed for transportation actually paid for, not exceeding the regular fare over the most direct route, and meals and lodging actually paid for, *including such transportation, meals and lodging of the members of the board in traveling from their respective places of residence to the meetings required by KRS 342.245 and in returning therefrom, and while attending said meetings.*

SB 47, AN ACT relating to sanitation districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 220.020 of the Kentucky Revised Statutes is amended to read as follows:

The director of the Division of Sanitary Engineering of the Department of Health shall, in addition to his other duties, act as commissioner of sanitation districts, and is vested with jurisdiction, power and authority, when the conditions set forth in KRS 220.010 to 220.520 and certified to by the county board of health are found to exist, to establish sanitation districts within any county [or counties containing a city of the first, second, or third class, in accordance with the provisions of this chapter] of the Commonwealth.

SB 84, AN ACT relating to the practice of shorthand reporting.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Board" means the State Board of Examiners for Shorthand Reporters;

(2) "Certified shorthand reporter" means an individual certified by the board under Section 7 of this Act;

(3) "Shorthand reporter" means an individual actively engaged in the practice of stenographically recording and transcribing judicial proceedings, including but not limited to depositions and proceedings of like character.

Section 2. (1) There is created an independent agency of the state government known as the State Board of Examiners for Shorthand Reporters, which has complete supervision over the administration of the provisions of this Act.

(2) The board shall be composed of three members appointed by the Chief Justice of the Court of Appeals for terms of three years. Two members must be shorthand reporters practicing in Kentucky, and one must be an attorney licensed to practice in Kentucky. Whenever an appointment may be made, the Kentucky Shorthand Reporters' Association shall submit to the Chief Justice the names of three individuals qualified for membership on the board, and the Chief Justice shall appoint one of the three.

(3) Vacancies occurring during a term shall be filled by appointment for the unexpired term.

(4) The board shall elect from among its members one to serve as chairman, one to serve as vice-chairman and a third to serve as secretary. Two members constitute a quorum for the transaction of business. The board shall hold such meetings at such places in the state and at such times as the board considers necessary to discharge its duties.

Section 3. Notwithstanding Section 2 of this Act, of the members first appointed to the board:

(1) One shall serve for a term ending one year after the effective date of this Act;

(2) One shall serve for a term ending two years after the effective date of this Act; and

(3) One shall serve for a term ending three years after the effective date of this Act.

Section 4. No person who has not been certified by the board under Section 7 of this Act may take, use or exhibit the title "Certified Shorthand Reporter" of the abbreviation "C.S.R." in connection with his name.

Section 5. No individual is eligible for certification unless he:

(1) Is twenty-one years of age or older;

(2) Is a citizen of the United States and a resident of Kentucky;

(3) Has three years of experience in stenographically recording and transcribing judicial proceedings, including but not limited to depositions and proceedings of like character;

(4) Has a recommendation signed by the president of the local bar association for the county in which the individual resides, or if such a local bar association has not been organized, by two members of the Kentucky State Bar Association; and

(5) Has successfully completed an examination given under Section 6 of this Act.

Section 6. (1) The board shall, at least twice in each calendar year, examine applicants who meet the requirements of subsections (1) to (4) of Section 5 of this Act. Applicants for examination shall prior to the examination pay to the board, as examination fees, amounts determined by the board as necessary to pay the cost of administering the examination.

(2) Each member of the board shall receive his actual and necessary travel expenses incurred in carrying out subsection (1) of this section.

Section 7. The board shall certify as a shorthand reporter any individual who has qualified under Section 5 of this Act and has successfully completed the examination administered under Section 6 of this Act. The board shall maintain a list of individuals certified under this section.

Section 8. All fees and other funds received by the board shall be paid into the General Fund in the State Treasury and credited to a separate revolving or trust and agency fund account established for the purpose of administering the provisions of this Act. The cost and expenses of administering this Act shall be paid out of the General Fund in the State Treasury upon warrants of the Commissioner of Finance according to law. However, the total expense of administering this Act may not exceed the fees collected by the board and available in the revolving or trust and agency fund account.

Section 9. After notice and hearing as required by law, the board may revoke or suspend any certification under Section 7 of this Act, or censure the holder of such certification, for any one or more of the following causes:

(1) Fraud or deceit in obtaining a certificate;

(2) Dishonesty, fraud or negligence in the practice of shorthand reporting;

(3) Repeated violation of any rule of professional conduct promulgated by the board, after warning by the board that such repeated violation will constitute grounds for proceedings under this section;

(4) Conviction of a felony under the laws of any state or of the United States;

(5) Conviction of any crime, an essential element of which is dishonesty or fraud, under the laws of any state or of the United States; or

(6) Conduct discreditable to the shorthand reporting profession.

Section 10. Any person who violates Section 4 of this Act shall be fined not more than $500.

SB 86, AN ACT relating to independent business schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Independent business school," "business school" or "school" means an educational institution privately owned and operated by an individual, partnership, association or corporation offering business courses through residence, extension or correspondence for which tuition is charged, in such subjects as: typewriting, shorthand (manual or machine), filing and indexing, receptionist's duties, key-punch, teletype, penmanship, bookkeeping, accounting, office machines, business arithmetic, English, business letter writing, salesmanship, personality development, leadership training, real estate, insurance, traffic management, business psychology, economics, business management, charm and modeling, air line training and other related subjects of similar character.

(2) "Board" means the State Board of Business Schools.

(3) "Agent" means any person employed by a school to act as agent, solicitor, broker or independent contractor to procure students for such school by solicitation of enrollment in any form made at any place other than the main office or principal place of business of the school.

(4) "Superintendent" means superintendent of public instruction.

Section 2. This Act shall not apply to any school offering a four year college course recognized by the State Department of Education nor shall it apply to any religious and nonprofit independent business schools exempt from taxation under the laws of this state, or which is subject to the provisions of KRS 156.160.

Section 3. (1) No person shall conduct, operate, maintain or establish an independent business school or use the term "independent business school," "business college," or any words which designate or tend to designate to the public that the operator of such institution is qualified to conduct, operate and maintain an independent business school, unless he holds a valid current license from the board.

(2) No person shall in any way solicit any person or group of persons in this state to enroll at or attend any independent business school unless such person holds a valid license as agent of the school for which he is soliciting.

Section 4. (1) There is hereby established a State Board of Business Schools which shall consist of the Superintendent of Public Instruction and six persons to be appointed by the Governor. Four members of the board shall be persons who, for at least five years next preceeding the date of their appointment, shall have occupied executive or managerial positions with an independent business school in Kentucky. These four appointments shall be made from a list of two names for each position submitted by the Kentucky Association of Independent Business Colleges. Two members of the board shall be persons occupied in commerce or industry in Kentucky.

(2) Upon expiration of each of the respective terms of the members first appointed, the term of each successor shall be four years or until his successor shall be appointed and qualified.

(3) The Superintendent of Public Instruction shall serve as ex officio president of the board and the members of the board shall elect one of their number as secretary. The board is authorized to fix the compensation of the secretary and to employ and fix the compensation of all personnel required by it for the administration of the provisions of this Act. The board shall have the power to make all rules and regulations, consistent with the provisions of this Act, as may be necessary to carry out the provisions and purposes of this Act.

(4) The board shall hold meetings at least twice a year and as frequent as it deems necessary at such times and places as the board may designate and the majority of the members shall constitute a quorum.

(5) The board may sue and be sued in its own name.

(6) The members of the board, except the secretary, shall receive no compensation for their services but may be paid their travel and other expenses while employed upon the business of the board.

(7) The board shall administer the provisions of law pertaining to the conduct, operation, maintenance and establishment of independent business schools, and activities of agents thereof when acting as such.

Section 5. (1) Any person seeking a license to conduct, operate, maintain or establish an independent business school shall make verified application to the board on forms prepared and furnished by the board setting forth the following information:

(a) The title or name of the school, together with the names of the owner or owners, and if the owner be a corporation the names and addresses of the officers thereof;

(b) The specific courses and fields of instruction which will be offered;

(c) The place or places where such instruction will be given and a description of the physical and sanitary facilities thereof;

(d) A specific listing of the equipment available for instruction in each course; and

(e) The education and teaching qualifications of the instructors and supervisor.

(2) Each initial application for a license shall be accompanied by a filing fee of fifty dollars, no part of which shall be refunded if a license is denied or if the application is withdrawn.

(3) Upon receipt of an application for a license accompanied by the filing fee, the board, or any of its members, shall conduct such an investigation as it or they deem reasonable and necessary and upon completion of such investigation to the satisfaction of the members of the board, the license shall be granted or denied by the board pursuant to Section 8 of this Act.

(4) Any person seeking a license to act as agent for an independent business school shall make verified application to the board on forms prepared and furnished by the board setting forth the following information:

(a) The name and permanent address of the applicant, together with his date of birth and the name of the school for which an agent's license is sought;

(b) A verified statement setting out evidence of the honesty, truthfulness and integrity of the applicant;

(c) The verified recommendation of two reputable persons certifying that the applicant is truthful, honest and of good repute and that a license as agent should be granted him.

(5) Each initial application for an agent's license shall be accompanied by a filing fee of twenty-five dollars, no part of which shall be refunded if a license is denied or if the application is withdrawn.

(6) Upon receipt of an application for an agent's license accompanied by the filing fee, the board, or any of its members, may conduct such an investigation as it or they deem reasonable and necessary, and upon completion of such investigation, if any be made, the license shall be granted or denied by the board pursuant to Section 8 of this Act.

(7) Every agent shall obtain a separate license for each school which he represents as agent, provided, however, that the filing fee for each license applied for after the first application shall be ten dollars.

(8) Nothing in this section shall be construed to require an employe or officer of a licensed independent business school to hold an agent's license merely because such employe or officer accepts the applications and enrollments at the main office or principal place of business of the independent business school.

Section 6. The board shall maintain a listing of the name and address of every person licensed under this Act and shall publish such listing at least once a year by mailing such listing to each independent business college licensed under this Act. Changes in the listing may be published in the same manner at such times as the board in its discretion may determine.

Section 7. (1) Every license issued for the operation of an independent business school shall expire on September 30th following the date of issuance unless sooner revoked and cancelled.

(2) Between August 15 and September 1 of each year, the board shall send notices to all licensed independent business schools in this state advising them that the annual license renewal fee is due on October 1 of each year. Every licensed independent business school shall renew its license between September 1 and October 1 of each year by the payment to the board of an annual license renewal fee of twenty-five dollars. If such renewal fee is not paid on or before October 1, the board shall notify the delinquent licensee by registered or certified mail that such fee is due and unpaid and that a delinquent penalty of fifty dollars is assessed in addition to the renewal fee of twenty-five dollars and must be paid on or before January 1. If such fees and penalties are not paid by January 1 the board shall suspend or revoke said license for non-payment of annual renewal and delinquent fees for the current year.

(3) Every license issued to an agent shall expire on September 30 following the date of issuance unless sooner revoked or cancelled.

(4) Between August 15 and September 1 of each year, the board shall send notices to all licensed agents advising them that the annual license renewal fee is due on October 1 of each year. Every licensed agent shall renew his license between September 1 and October 1 of each year by the payment to the board of an annual license renewal fee of five dollars for each license held. If such renewal fee or fees are not paid on or before October 1, the board shall notify the delinquent licensee by certified or registered mail that such fee or fees are due and unpaid and that a delinquent penalty of ten dollars for each license held is assessed in addition to the renewal fee of five dollars and must be paid on or before January 1. If such fees and penalties are not paid by January 1, the board shall revoke said license or licenses for nonpayment of annual renewal and delinquent fees for the current year.

(5) All fees collected under the provisions of this Act or the rules and regulations adopted pursuant to this Act shall be paid into the State Treasury and credited to a trust and agency fund to be used in defraying the cost and expenses of the administration of this Act, including, but not limited to, salaries and necessary expenses. No part of this fund shall revert to the general funds of the Commonwealth.

Section 8. (1) The board shall refuse to license or renew the license or shall suspend or revoke the license of any independent business school on proof that the individual applicant or holder has been convicted of a felony, a misdemeanor involving moral turpitude or has been guilty of conduct likely to deceive or defraud the public, or that the applicant or holder:

(a) has employed, hired, procured, or induced a person not licensed to act as agent for such independent business school; or

(b) has been granted a license upon mistake of a material fact; or

(c) has furnished false, misleading or incomplete information to the board; or

(d) has presented information to prospective students relating to the school or to employment opportunities after entering into or completing courses offered by the school which was false, misleading or fraudulent; or

(e) has failed to provide or maintain premises or equipment in a safe and sanitary condition to such an extent that such failure constitutes a violation of law; or

(f) has failed to provide and maintain financial resources adequate for the satisfactory conduct of the courses of instruction offered; or

(g) has failed to retain a sufficient and qualified staff of instructors and administrative personnel; or

(h) has proposed to conduct or has conducted instruction in a course or field not approved by the board for that particular school.

(2) The board shall refuse to license or renew the license or shall suspend or revoke the license of any applicant or agent on proof that the individual applicant or holder:

(a) has been convicted of a felony, a misdemeanor involving moral turpitude or has been guilty of conduct likely to deceive or defraud the public; or

(b) has employed, hired, procured or induced an unlicensed person to act as agent for such independent business school; or

(c) has been granted a license upon mistake of a material fact; or

(d) has furnished false, misleading or incomplete information to the board; or

(e) has presented information to prospective students relating to the school or to employment opportunities after entering into or completing the course offered by the school which is false, misleading or fraudulent.

Section 9. (1) The board may suspend or revoke a license or may refuse to renew a license only after a hearing of which the holder of the license has been given adequate notice by mailing a copy of the notice by certified or registered mail at least twenty days prior to the hearing. At the hearing, the board and the holder of the license shall have the benefit of counsel.

(2) The board may administer oaths, take the depositions of witnesses as in civil cases and compel them to attend before it in person as in civil cases by subpoena issued in the name of the Commonwealth and over the signature of the president of the board.

(3) Proceedings for the suspension or revocation of a license may be instituted by an individual or organization filing a verified complaint with the secretary of the board or such proceedings may be instituted by the board acting upon its own initiative or by the president or secretary of the board acting on behalf of the board.

(4) The board may institute in its own name proceedings to restrain and enjoin temporarily or permanently violations of this Act regardless of whether the defendant has been convicted for violations of the penal provisions of this Act, and the board shall not be required to pay any costs or filing fee or furnish any bond in connection therewith.

(5) Hearings held by the board under subsection (1) of this section shall be held in the county where the holder of the license lives or operates an independent business school.

Section 10. (1) County and Commonwealth's Attorneys and the Attorney General within their respective jurisdictions shall prosecute all violations of the penal provisions of this Act and shall, when requested by the board, represent the board in matters relating to the enforcement of this Act.

(2) A licensee whose license has been revoked or suspended by the board or who has been refused a renewal license may, within thirty days of the entry of the order, appeal to the circuit court of the county in which the hearing was held. The person taking the appeal shall serve upon the secretary of the board, by certified or registered mail, a written notice of appeal and shall file with the clerk of the circuit court to which such appeal is taken an appeal bond with good and sufficient surety, to be approved by the clerk, conditioned for the speedy prosecution of the appeal and the payment of any costs charged against him upon the appeal. The board, within ten days after the service of notice of appeal and the filing and approval of the bond, shall transmit to the clerk of the court a certified copy under the seal of the board of the evidence upon which the ruling of the board was based. The clerk shall then docket the case and it shall be tried in all respects like an ordinary civil action. Either party may appeal from the judgment of the circuit court to the Court of Appeals as in a civil action. The order appealed from shall be stayed from the date of the approval of the bond until the final determination of the appeal.

Section 11. (1) Any person who violates the provisions of Section 3 (1) of this Act shall be fined not less than one hundred dollars nor more than five thousand dollars and each day the violation continues shall constitute a separate offense.

(2) Each first violation of Section 3 (2) of this Act shall be punishable by fine of not less than fifty dollars nor more than one thousand dollars or by imprisonment for not less than one month nor more than twelve months, or both fine and imprisonment. Each subsequent violation of Section 3 (2) shall be punishable by a fine of not less than one hundred dollars nor more than five thousand dollars and imprisonment for not less than three months nor more than twelve months, or both fine and imprisonment.

Section 12. The terms of office of the four members of the board first appointed, from executive or managerial personnel of independent business schools shall be for one, two, three, and four years respectively and the terms of office of the two members of the board first appointed, from commerce or industry shall be for three and four years respectively.

SB 120, AN ACT relating to the National Guard.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 38.030 of the Kentucky Revised Statutes is amended to read as follows:

The Governor may direct the commanding officer of the troops ordered into active state service *for the purpose of resisting invasion, suppressing rebellions, insurrections, riots or threats thereof; suppressing any active, unlawful or threatening violence to person or property in this state; authorizing the arrest of all persons engaged in aiding or abetting therein; investigating any acts of treason, sabotage or attempted sabotage and to cause the arrest of such persons engaged therein or aiding and abetting; and/or protecting life and property in the event of the emergency or disaster. The Governor may by his order prescribe the duty to be performed by the troops thus called into active field service. The Governor may direct the commanding officer of such military forces thus ordered into service to report to any of the following named civil officers of the district, county, city or town; circuit judge, sheriff, county judge or mayor; and such civil officers may direct the specific object to be accomplished by such military force, but the tactical direction and disposition of the troops and the particular means to be employed to accomplish the object shall be left solely to the officers of the National Guard. Troops shall not be relieved from active field service except by order of the Governor.* [to report to any circuit judge, county judge or mayor. The judge or mayor may direct the specific object to be accomplished, but the tactical direction and disposition of the troops and methods used shall be left solely to the discretion of the troop commander.]

Section 2. Section 38.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) All commissioned officers and warrant officers of the Kentucky National Guard shall be appointed by the Governor, upon the recommendation of *The Adjutant General and* the commanding officers of the organization to which such officers are to be assigned for duty, and shall be appointed according to grade in the branch or corps of the service in which they are appointed. No officer or warrant officer shall be appointed until he shall have successfully passed such tests as to his physical, moral and professional fitness as are or shall be prescribed by Federal law for Federal recognition as an officer.

(2) All appointments as staff officers shall be of individuals with previous military experience. [Appointment shall be held until the appointee reaches sixty years of age or is relieved by the Governor.]

(3) The Governor may issue such regulations governing the appointment of commissioned officers and warrant officers in the Kentucky National Guard as may be necessary in order to conform to the requirements made by Congress for participation in Federal appropriations for the Kentucky National Guard.

(4) No officer or warrant officer *except The Adjutant General* shall retain the grade to which he may have been *appointed or promoted* unless, within a reasonable length of time, he obtains Federal recognition for such grade.

Section 3. Section 38.070 of the Kentucky Revised Statutes is amended to read as follows:

Every officer shall [, within ten days after his commission is tendered to him, or within ten days after he has been notified personally or by mail that it is held in readiness for him by a superior officer.] take and subscribe to [the following] *an* oath of office *as prescribed by the Department of Defense.* ["I, ------------------ ------------------------ do solemnly swear that I will support and defend the Constitution of the United States and the Constitution of Kentucky against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I will obey the orders of the President of the United States and of the Governor of the Commonwealth of Kentucky; that I make this obligation freely without any mental reservations or purpose of evasion, and that I will well and faithfully discharge the duties of the office of -- in the National Guard of the United States and of the Commonwealth of Kentucky upon which I am about to enter, so help me God."]

The oath shall be taken and subscribed before an officer [of the National Guard of the grade of general or field officer, summary court, or any civil officer] authorized to administer oaths. In case of neglect or refusal to take and subscribe to the oath, [within the time mentioned,] the commission shall be cancelled by the Governor and a new appointment shall be made to fill the vacancy.

Section 4. Section 38.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) All able-bodied citizens of Kentucky, of good character, who can read and write the English language, who are between the ages of seventeen and thirty-five years with no prior service; between thirty-six and under thirty-eight with one year of service; thirty-eight and under forty-one with two years of service and forty-one and under fifty-seven with two years plus the number of years applicant is over age forty, and who have passed the required physical examination and who are not ineligible for enlistment or re-enlistment in the Armed Forces of the United States, subject to current United States Armed Forces regulations covering enlistments and re-enlistments, may be enlisted or re-enlisted in the Kentucky National Guard for a term of [not less than] one or more [than three] years.

(2) No person dishonorably discharged or discharged without honor from the Armed Forces of the United States shall be eligible for enlistment in the Kentucky National Guard.

(3) Every person who enlists or re-enlists shall sign and make oath to an enlistment paper before an officer authorized to accept enlistments.

(4) Enlisted persons may be transferred to or from organizations, as provided by regulations. [approved by the Governor.]

(5) By order of the Governor in case of emergency, enlistments in the Kentucky National Guard may be extended for one year.

Section 5. Section 38.110 of the Kentucky Revised Statutes is amended to read as follows:

An officer of the Kentucky National Guard shall hold his commission so long as he is entitled to *Federal recognition in that grade* [receive Federal pay and allowances] unless *separated* [retired] *from the service* prior to that time by reason of resignation, disability or for cause to be determined by a court-martial or efficiency board legally convened for that purpose.

Section 6. Section 38.130 of the Kentucky Revised Statutes is amended to read as follows:

The Governor may order any commissioned officer before an efficiency board consisting of three officers senior in rank to the officer whose fitness for service is under examination. The board shall have the powers of courts of inquiry and courts-martial *to subpoena witnesses and produce testimony* and shall inquire into the moral character, capacity and general fitness [for the service] of the commissioned officer. [, and record and return the testimony taken and a record of the proceedings.] *The board shall make a record of all proceedings.* If the findings of the board are unfavorable to the officer and are approved by the Governor, he shall be discharged from the service. No officer shall participate in the examination or decision of the board in any case in which the decision would affect his own grade or promotion. Failure to appear when ordered before a board constituted under this section shall be sufficient grounds for a finding of the board that the officer ordered to appear be discharged.

Section 7. Section 38.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) An enlisted man shall not be discharged before the expiration of his term of service except by order of the Governor or by sentence of court-martial approved by the Governor. A soldier upon his discharge from service, shall be given a certificate of discharge or report of separation from service. [signed by his commanding officer].

(2) The types of discharge used shall be the same as those *authorized* [promulgated] by the [Chief of the] National Guard Bureau.

Section 8. Section 38.200 of the Kentucky Revised Statutes is amended to read as follows:

Except when in the service of the United States, officers and enlisted men, when employed in active state service, beginning with the day they assemble to their armories or other designated place until the day they return thereto and have been properly relieved, inclusive, fractional parts of a day counting as a full day, *may* [shall] receive pay at the following daily rates:

NATIONAL GUARD

DAILY RATES OF PAY AND ALLOWANCES OF COMMISSIONED OFFICER, WARRANT OFFICERS AND ENLISTED MEMBERS OF THE KENTUCKY NATIONAL GUARD ON ACTIVE STATE SERVICE

GRADE TITLE — CUMULATIVE YEARS OF SERVICE — QUARTERS

GRADE TITLE	Under 2	Over 2	Under 3	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	Over 20	Over 22	Over 26	Over 30	W/Out Dpndts		With Dpndts
0-8 Maj General	32.11	33.33	33.33	34.07	34.07	34.07	36.67	36.67	38.33	38.33	40.00	41.67	43.33	45.00	45.00	45.00	4.56		5.70
0-7 Brig General	26.68	28.67	28.67	28.67	28.67	30.00	30.00	31.67	31.67	33.33	36.67	39.17	39.17	39.17	39.17	39.17	4.56		5.70
0-6 Colonel	19.76	20.93	20.93	22.33	22.33	22.33	22.33	22.33	22.33	23.00	26.67	28.67	28.67	30.33	32.83	32.83	3.99		4.56
0-5 Lt Colonel	15.81	16.77	16.77	18.00	18.00	18.00	18.00	18.67	19.67	21.00	22.67	24.00	24.83	25.83	25.83	25.83	3.42		4.56
0-4 Major	13.34	14.13	14.13	15.17	15.17	15.50	16.17	17.33	18.33	19.00	20.33	21.00	21.00	21.00	21.00	21.00	3.14		3.99
**0-3 Captain	10.87	11.53	11.53	12.40	13.83	14.67	15.33	16.00	17.00	17.50	17.50	17.50	17.50	17.50	17.50	17.50	2.85		3.42
**0-2 1st Lt	8.65	9.70	9.70	12.00	12.33	12.67	13.17	13.83	14.50	15.00	15.00	15.00	15.00	15.00	15.00	15.00	2.57		3.14
**0-1 2nd Lt	7.41	8.37	8.37	10.47	10.47	11.17	11.67	12.17	12.67	13.33	13.33	13.33	13.33	13.33	13.33	13.33	2.28		2.85
W-4 CWO	11.10	12.53	12.53	12.53	12.77	13.30	13.87	14.50	15.50	16.20	16.80	17.20	17.60	18.10	19.17	19.83	3.14		3.99
W-3 CWO	10.09	11.43	11.43	11.43	11.60	11.77	12.67	13.27	13.73	14.23	14.70	15.27	15.67	16.23	16.87	16.87	2.85		3.42
W-2 CWO	8.83	9.93	9.93	9.93	10.23	10.93	11.40	11.83	12.30	12.70	13.10	13.53	13.90	14.67	14.67	14.67	2.57		3.14
W-1 WOJG	7.31	8.87	8.87	8.87	9.50	9.97	10.43	11.13	11.50	11.80	12.13	12.50	13.00	13.00	13.00	13.00	2.28		2.85
																	No Dep	1-2 Dep	Over 2 Dep
E-9 Sp9, SGM or CMS								12.67	13.00	13.33	13.67	14.00	14.33	14.67	14.67	14.67	1.71	2.57	3.23
E-8 SP8, 1SG, MSG or SMS							10.33	10.67	11.00	11.33	11.67	12.00	12.33	12.67	12.67	12.67	1.71	2.57	3.23
E-7 SP7, PSG, SFC or M/SGT	6.88	7.87	7.87	7.87	8.33	8.67	9.00	9.50	10.00	10.33	10.83	11.33	11.67	11.67	11.67	11.67	1.71	2.57	3.23
E-6 SP6, SSG or T/SGT	5.86	6.67	6.67	6.67	7.50	7.83	8.17	8.50	8.83	9.17	9.33	9.67	9.67	9.67	9.67	9.67	1.71	2.57	3.23
E-5 SP5, SGT or S/SGT	4.84	6.00	6.00	6.00	6.83	7.00	7.33	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	1.71	2.57	3.23
E-4 SP4, CPL or A/1C	4.08	5.00	5.00	5.33	5.67	6.00	6.33	6.33	6.33	6.33	6.33	6.33	6.33	6.33	6.33	6.33	1.71	2.57	3.23
E-3 PFC or A/2C	3.31	4.13	4.13	4.13	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	4.70	1.71	2.57	3.23
E-2 PVT or A/3C	2.86	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	1.71	2.57	3.23
E-1 RCT or A/B	*2.77	3.50															1.71	2.57	3.23
E-1 RCT or A/B	2.60	(Under 4 Months)															1.71	2.57	3.23

NOTE: Subsistence—$1.60 for all officers.
Subsistence—$1.15 for all enlisted personnel.

*(Over 4 months)

**Reserve Pay Per Training Period For Commissioned Officers Who Have Been Credited With Over Four Years' Active Service As An Enlisted Member

Pay Grade	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18
0-3E	13.83	14.67	15.33	16.00	17.00	17.83	17.83	17.83
0-2E	12.33	12.67	13.17	13.83	14.50	15.00	15.00	15.00
0-1E	10.47	11.17	11.67	12.17	12.67	13.33	13.33	13.33

INCENTIVE PAY FOR HAZARDOUS DUTY (Flying Pay)

GRADE TITLE	Under 2	Over 2	Under 3	Over 3	Over 4	Over 6	Over 8	Over 10	Over 12	Over 14	Over 16	Over 18	(Max.)
0-8 Maj General			5.17	5.50									5.50
0-7 Brig General			5.00	5.33									5.33
0-6 Colonel			6.67	7.17							7.33	8.17	8.17
0-5 Lt Colonel			6.33	6.83					7.00	7.50	7.67	8.17	8.17
0-4 Major			5.67	6.17			6.50	7.00	7.17	7.33	7.67	8.00	8.00
0-3 Captain			4.83	5.17	5.50	6.00	6.17	6.33	6.67	6.83			6.83
0-2 1stLt	3.83	4.17		5.00		5.33	5.50	5.67	6.00	6.17			6.17
0-1 2nd Lt	3.33	3.50		4.50		4.67	4.83	5.17	5.33	5.67			5.67
W-4 CWO	3.83	3.83	3.83	3.83	3.83	4.00	4.17	4.50	4.83	5.17	5.33	5.50	5.50
W-3 CWO	3.67	3.83				4.00		4.17	4.50	4.67			4.67
W-2 CWO	3.50	3.67				3.83	4.00	4.17	4.33	4.50			4.50
W-1 WOJG	3.33	3.50				3.67	4.00	4.17	4.33				4.33
E-9								3.50					3.50
E-8							3.50						3.50
E-7	2.67	2.83				3.00	3.17	3.33	3.50				3.50
E-6	2.33	2.50			2.67	2.83	3.00	3.17		3.33			3.33
E-5	2.00	2.33			2.67		2.83	3.00	3.17				3.17
E-4	1.83	2.17			2.33	2.50	2.67						2.67
E-3	1.83	2.00											2.00
E-2	1.67	2.00											2.00
E-1	1.67	1.83											1.83
E-1 (Under 4 Mos.)	1.67												

Section 9. Section 38.210 of the Kentucky Revised Statutes is amended to read as follows:

For duty at all encampments *or other exercises* ordered by the Governor, except when authorized and paid by the Federal Government, each commissioned officer and enlisted man *may* [shall] receive the pay and allowances provided in KRS 38.200, [Members of rifle teams or other teams of officers and men competing in any competition for which they volunteer shall not receive pay, but may receive actual and necessary expenses,] including transportation and subsistence.

Section 10. Section 38.220 of the Kentucky Revised Statutes is amended to read as follows:

For service and attendance upon boards appointed by the Governor, [general] courts-martial and courts of inquiry as a member, judge advocate, recorder or witness, or upon inspection or other duty ordered by the Governor, officers and enlisted men, when not engaged on duty for which pay is provided, *may* [shall] receive the same pay and allowances as is provided for active state service.

Section 11. Section 38.240 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member of the National Guard who is incapacitated from pursuing his usual business or occupation by reason of any injury received or disease contracted when on duty as assembled therefor under lawful authority, which injury or disease directly results from such service, shall be entitled to receive the pay provided by KRS 38.200 and actual necessary expenses for care, hospitalization and medical attendance during the period of such incapacity. Where a claim is made under this section, The Adjutant General shall, from time to time, designate medical officers to examine the claimant, and may direct the claimant to be removed to and treated in a designated hospital. If the claimant refuses to permit the examination, or to go to the hospital or to follow the advice given or treatment prescribed for him therein, he shall forfeit his right to any claim, pay or allowance under this section.

(2) If the death of any member of the National Guard results from an injury received or disease contracted when on duty or assembled therefor under lawful authority, the state shall pay his funeral expense, but not to exceed *five hundred* [two hundred fifty] dollars.

(3) The body of an officer or enlisted man who dies while in active state service, shall, under the direction of his commanding officer and at the expense of the state, be promptly prepared for burial, enclosed in a suitable casket, and returned to his late residence under a proper escort; but the cost to the state of the casket and preparing

the body for burial shall not exceed the sum of *five hundred* [two hundred and fifty] dollars.

(4) If any member of the National Guard, when on duty or assembled therefor under lawful authority, does any act in the discharge of his duty that causes him to be proceeded against by civil court action, the Attorney General shall represent him in the civil proceedings. If, under the same conditions, a member of the National Guard is proceeded against in a criminal action, The Adjutant General may, with the approval of the Governor, appoint legal counsel to represent him in the criminal proceedings. The compensation paid the legal counsel shall be fixed by The Adjutant General, with the written approval of the Governor.

(5) All disbursements under this section shall, upon proper certification be paid from the appropriation for the Department of Military Affairs.

Section 12. Section 38.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every unit of the Kentucky National Guard shall assemble for drill and instructions not less than forty-eight times each year, and shall participate in encampments, maneuvers or other exercises at least fifteen days in each year unless excused therefrom by the Governor. The number present in order to obtain credit for the drill, period of time and type of instruction shall be such as is prescribed by the Governor.

(2) All employees of the Commonwealth of Kentucky *who are members of the Kentucky National Guard and/or the Reserve Forces of the United States* shall be entitled to fifteen days annual military leave with pay.

Section 13. Section 38.290 of the Kentucky Revised Statutes is amended to read as follows:

(1) Premises occupied by the Kentucky National Guard for military purposes shall be under the control of the *Senior National Guard* [commanding] officer using them.

(2) All military property furnished for the use of the several organizations of the Kentucky National Guard shall be kept in the armory or storerooms of the command, except when in use for authorized military purposes.

Section 14. Section 38.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who makes a false oath as to any statement contained in the enlistment papers mentioned in subsection (3) of KRS 38.090 shall be fined not less than ten nor more than fifty dollars.

(2) Any civil officer who fails to execute process and sentences when required to do so under KRS 38.400 shall be fined not more than fifty dollars for each offense.

(3) Any master, keeper, or other person in charge of a tollgate, toll bridge or ferry who willfully hinders or delays any member of the Kentucky National Guard or Kentucky Active Militia going to or returning from any parade, encampment, drill, or meeting which he is required by proper authority to attend, or who refuses free passage to any member, conveyance or other property in violation of KRS 38.430 shall be fined not more than fifty dollars for each offense.

(4) Any person who violates any of the provisions of KRS 38.440 shall be fined not less than ten nor more than one hundred dollars, or imprisoned in the county jail for not more than six months, or both.

(5) Any person who violates any of the provisions of KRS 38.450 shall be fined not less than ten nor more than one hundred dollars.

(6) Any person who violates any of the provisions of subsection (1) of KRS 38.460 or who aids in enforcing any provision prohibited by subsection (2) of KRS 38.460 shall be fined not less than one hundred or more than five hundred dollars or imprisoned in the county jail not less than six months, or both.

(7) Any person who trespasses upon property occupied by the Kentucky National Guard or Kentucky Active Militia contrary to the orders of the officer in charge of such property shall be fined not less than one hundred nor more than five hundred dollars or imprisoned in the county jail for six months, or both.

(8) Any witness who refuses to appear in answer to a subpoena, to answer questions before a military court or board is guilty of contempt and may be fined not more than fifty dollars by such court or board.

Section 15. Sections 38.230 and 38.340 of the Kentucky Revised Statutes are repealed.

SB 121, AN ACT relating to the Active Militia.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section is added to Chapter 37 of the Kentucky Revised Statutes to read as follows:

(1) Officers and enlisted men of the Kentucky Active Militia shall be subject to the Code of Military Justice as set forth in Chapter 35 of the Kentucky Revised Statutes.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

The Department of Military Affairs shall have the power to accept the provisions of KRS 342 for the benefit of members of the Kentucky Active Militia while such members are on active state service.

Section 3. Section 37.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Governor is hereby authorized to enlist, organize, maintain, equip, discipline and pay when called into active field service a volunteer defense *force* [unit] other than the National Guard, to be known as the Kentucky Active Militia, which shall consist of able bodied males who are residents of the State of Kentucky and who are between the ages of eighteen and sixty four. (At no time shall the number of enlisted men and officers in the Kentucky Active Militia exceed two thousand.)

(2) Whenever the President of the United States shall call any part of the National Guard of this state into active Federal service, the Governor is hereby authorized to organize the Kentucky Active Militia under such regulations as the Secretary of *Defense* [War] may prescribe for discipline and training.

(3) The Governor shall have the power to alter, divide, annex, disband or reorganize any organization of the Kentucky Active Militia whenever in his judgment the efficiency of the state forces will thereby be increased, and he shall have power to change the organization so as to conform to the regulations now or hereafter prescribed by the laws of the United States for the organization of the National Guard *or Militia.*

Section 4. Section 37.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Governor of Kentucky is hereby authorized to appoint and commission the necessary officers for the Kentucky Active Militia. The Adjutant General of the state with the approval of the Governor shall prescribe rules and regulations governing the enlistment, organization, administration, pay, equipment, discipline and discharge of the personnel of the Kentucky Active Militia; obtain by requisition or purchase from the Secretary of *Defense* [War] such necessary arms and equipment as may be secured from the [War] Department *of Defense,* or procure from some other source the necessary arms and equipment to maintain and equip the Kentucky Active Militia; and provide the necessary space for the housing of property and for the purpose of drills and instruction.

(2) All officers shall be appointed and commissioned by the Governor. All men shall be enlisted by the unit commanders and *may* [shall] be discharged upon order of the Governor for the same reasons as men are discharged from the National Guard, when such discharge is requested in writing by the unit commanders.

Section 5. Section 37.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) Commanding and staff officers of *organizations* [regiments] and *units* [battalions] are hereby authorized to make such visits of instruction and inspection, when authorized by The Adjutant General to do so, as in his discretion may be necessary. When making said visits they *may be compensated as provided in KRS 38.200 and KRS 36.140.* [shall serve without compensation but shall be allowed reasonable expenses.]

Section 6. Section 37.290 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the death of any member of the Active Militia results from an injury received when on duty or assembled therefor under competent authority or lawful order the Commonwealth of Kentucky shall pay his funeral expenses but not to exceed *$500.00* [$250.00].

Section 7. Section 37.300 of the Kentucky Revised Statutes is amended to read as follows:

The body of an officer or enlisted man, who dies while in active field service, or on active duty while his command is absent from its home station, shall, under the direction of his commanding officer, be promptly prepared for burial, enclosed in a suitable casket, and returned, at the expense of the state, to his late residence under a proper escort; provided however, that the cost of the casket and preparing the body for burial shall not exceed the sum of *$500.00* [$250.00] as allowed by KRS 37.290. All disbursements under this section and under KRS 37.280 and 37.290 shall be a proper charge against the state and shall be paid from the Treasury on properly certified and approved vouchers.

Section 8. Section 37.190 of the Kentucky Revised Statutes is hereby repealed.

SB 99, AN ACT relating to the classified service.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 18.210 of the Kentucky Revised Statutes is amended to read as follows:

The Commissioner of Personnel shall prepare and submit to the Personnel Board proposed rules for the classified service. Such rules shall have the force and effect of law, when approved by the board, after public notice and public hearing. If not disapproved by the board within forty-five days after the submission thereof, they shall have the same force and effect as if approved. Amendments thereto may be made in the same manner, or on the initiative of the board. The rules shall provide:

(1) For the preparation, maintenance and revision of a position classification plan for all positions in the classified service, based upon similarity of duties performed and responsibilities assumed, so that the same qualifications may reasonably be required for and the same schedule of pay may be equitably applied to all positions in the same class. After such classification has been approved by the board, the commissioner shall allocate the position of every employe in the classified service to one of the classes in the plan. Any employe affected by the allocation of a position to a class shall, after filing with the Commissioner of Personnel a written request for reconsideration thereof in such manner and form as the commissioner may prescribe, be given a reasonable opportunity to be heard thereon by the commissioner;

(2) For a pay plan for all employes in the classified service, after consultation with appointing authorities and the Commissioner of Finance. The plan shall take into account such factors as (a) the relative levels of duties and responsibilities of various classes of positions; (b) rates paid for comparable positions elsewhere; and (c) the state's financial resources. Such pay plan shall become effective only after it has been approved by the Governor after submission to him by the board. Amendments to the pay plan may be made in the same manner. Each employe shall be paid at one of the rates set forth in the pay plan for the class of position in which he is employed;

(3) For open competitive examinations to test the relative fitness of applicants for the respective positions. Such examinations shall be announced publicly at least fifteen days in advance of the date fixed for the filing of applications therefor, and may be advertised through the press, radio and other media. The commissioner shall continue to receive applications and examine candidates on a continuous basis long enough to assure a sufficient number of eligibles to meet the needs of the service, and shall add the names of successful candidates to existing eligible lists in accordance with their respective ratings. The commissioner shall be free to use any investigation of education and experience and any test of capacity, knowledge, manual skill, character, personal traits, or physical fitness which in his judgment serves the need to discover the relative fitness of applicants;

(4) For the granting of appropriate preference in original entrance examinations to qualified persons who have been members of the armed forces of the United States in time of war, and who were honorably discharged. Such preference shall be in the form of points added to the final passing grades of such persons on original entrance examinations, provided that they otherwise qualify and are entitled to appear on the list of those eligible for appointment. The preference

shall [may] be *at least* [as much as] five points for nondisabled persons, and *at least* [as much as] ten points for persons currently receiving compensation from the U. S. Veterans' Administration for war-service-incurred disabilities certified as compensable. The rank of such persons on the eligible list shall then be determined on the basis of their augmented rating;

(5) For promotions which shall give appropriate consideration to the applicant's qualifications, record of performance, conduct and seniority. Vacancies shall be filled by promotion whenever practicable and in the best interest of the service;

(6) For the establishment of eligible lists for appointment, upon which lists shall be placed the names of successful candidates in the order of their relative excellence in the respective examinations. Eligibility lists shall expire automatically at the end of two years, unless the life of a list is extended by action of the Personnel Board for a period not to exceed one additional year;

(7) For the rejection of candidates or eligibles who fail to comply with reasonable requirements of the commissioner in regard to such factors as age, physical condition, training and experience, or who have been guilty of infamous or disgraceful conduct; who are addicted to alcohol to excess or to narcotics, or who have attempted any deception or fraud in connection with an examination;

(8) For the appointment of a person whose score is included in the three highest scores earned on the examination;

(9) For a period of probation not to exceed one year before appointment or promotion may be made complete, and during which period a probationer may be discharged or reduced in class or rank, or replaced on the eligible list. The appointing authority shall, within thirty days prior to the expiration of an employe's probationary period, notify the commissioner in writing whether the probationary employe is recommended for permanent status. Only if the appointing authority certifies to the satisfactory nature of the probationary employe's services, shall permanent status be conferred;

(10) For emergency employment for not more than thirty days with or without examination, with the consent of the commissioner;

(11) For provisional employment without competitive examination when there is no appropriate eligible list available. No such provisional employment shall continue longer than six months, nor shall successive provisional appointment be allowed, except during the first year after July 1, 1960 in order to avoid stoppage of orderly conduct of the business of the Commonwealth;

(12) For transfer from a position in one department to a similar position in another department involving similar qualifications, duties, responsibilities, and salary ranges;

(13) For reinstatement within not more than five years, only with the approval of the commissioner, of persons who resign in good standing or who are laid off from their positions without fault or delinquency on their part;

(14) For developing, in cooperation with the appointing authorities, uniform standards and methods of appraising work performance of all employes and for the use of such methods of appraisal in personnel actions;

(15) For lay-offs by reasons of lack of funds or work, or abolishment of a position, or material change in duties or organization, and for reinstatement of employes so laid off, giving consideration in both lay-offs and reemployment to qualifications, performance records, conduct and seniority in service;

(16) For imposition as disciplinary measures of a fine of not more than ten days' pay or for suspension from the service without pay for not longer than thirty days;

(17) For discharge or reduction in rank or grade only for cause, after the person to be discharged or reduced has been presented with the reasons for such discharge or reduction stated in writing, and has been allowed a reasonable time to reply thereto in writing, or, upon request, to appear personally with counsel and reply to the head of the department or his deputy. The statement of reasons and the reply shall be filed as a public record with the commissioner;

(18) For establishment of a plan for resolving employe grievances and complaints;

(19) For annual, sick and special leaves of absence, with or without pay, or reduced pay, after approval by the Governor as provided in KRS 18.170 (2);

(20) For the development and operation of programs to improve the work effectiveness of employes in the state service, including training, whether inservice or compensated educational leave, safety, health, welfare, counseling, recreation, and employe relations;

(21) For promotion of career employes to positions in the unclassified service without loss of status to the individual employes so promoted;

(22) For such other rules and administrative regulations, not inconsistent with this chapter, as may be proper and necessary for its enforcement.

Senator Duffy moved suspension of the rules for the purpose of introducing a resolution. Agreed.

Introduction of Resolution

SR 30, by Senators Duffy, Bonn, Miller, McCann and McGinty: A CONCURRENT RESOLUTION requesting the motor car industry to incorporate in all American motor cars those devices and structures that are known to be capable of reducing the number of highway deaths and injuries.

Calendar

SB 111, HB 125, HB 108, HB 124, HB 104, HB 77, HB 82, HB 81 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 36 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Overbey offered Amendment #1 to **SB 36** and moved its adoption. Agreed. Said Amendment to **SB 36** is as follows:

Amend printed copy of **SB 36**, on page 3, line 25 by adding the following words and figures:

"Section 4. Subsection 10 of KRS 189.040 is repealed."

Senator Overbey moved the Previous Question on **SB 36**, as amended. Agreed.

On roll call, the vote was yeas 33—Bishop, Bonn, Brand, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Overbey moved that the vote by which **SB 36**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

SB 30 with Committee Amendment attached thereto, taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator McCann moved the adoption of the Committee Amendment to **SB 30.** Agreed.

Senator McCann moved the Previous Question on **SB 30**, as amended. Agreed.

On roll call, the vote was yeas 24—Bonn, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kiser, McCann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 4—Johnson, Logan, McGinty, Swope.

Senator McCann moved that the vote by which **SB 30**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

Reference of Bills and Resolutions

The Clerk announced that the following bills and resolutions had been referred:

Ky. Statutes #2: **SR 22, SB 148, SB 150**
Fish and Game: **SB 149**
Insurance: **SB 151, HB 113**
Agriculture and State Fair: **SB 152**
Motor Vehicles, Commerce and Common Carriers: **SB 154, SB 157**
Administrative Agencies: **SB 155**
Rural Roads and Highways: **SB 156**
Joint Committee on State Government Operations: **SR 8**
Ky. Statutes #1: **SR 28, SB 158, SB 161, SB 162, HB 102, HB 196**
Labor and Manufacturing: **SB 159**
Courts and Legal Procedure: **SB 160, HB 188**
Municipalities: **HB 57**
Education: **HB 145**

Senator Ware moved that the Senate adjourn until 1 p.m., Wednesday, February 7. Agreed.

WEDNESDAY, FEBRUARY 7, 1962

THIRTIETH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Robert J. Laughlin, Pastor of the First Presbyterian Church of Frankfort.

The roll was called. All present except Senator Derickson, who was granted leave of absence on motion of Senator McCann.

Reading of Journal for February 6 dispensed with and the same approved on motion of Senator McCann.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 45, SB 46, SB 49** had been examined and found correctly enrolled. **SB 45, SB 46, SB 49** read at length, compared, and signed in open session by the President. **SB 45, SB 46, SB 49** ordered delivered to the House. Delivered, signed by Speaker. Ordered delivered to the Governor.

Recess

Senator Ware moved the Senate to recess for the purpose of having a Joint Session to hear a message from the Honorable Colgate W. Darden, Jr., former Governor of Virginia, and Chairman of Goals Commission of Higher Education. Agreed.

The President resumed the Chair.

House Message

Announcing passage of **HB 8, HB 175, HB 19, HB 139, HB 17.**

Motions, Petitions and Communications

Senator Ware moved that **SB 142** be recommitted to Committee on Ky. Statutes #1. Agreed.

Introduction of Bills and Resolution

SR 31, by Senator Logan: A RESOLUTION making a motion to reverse the order of the roll call for the remainder of the session.

SB 190, by Senator Martin: AN ACT relating to property.

SB 191, by Senator Martin: AN ACT relating to Workmen's Compensation.

SB 192, by Senator Martin: AN ACT relating to Circuit Court Clerks.

SB 193, by Senator Ware: AN ACT relating to City Commissions on Human Rights.

SB 194, by Senator Raney: AN ACT relating to the Department of Industrial Relations.

SB 195, by Senators Raney, Martin and Kiser: AN ACT relating to Workmen's Compensation.

SB 196, by Senator Raney: AN ACT relating to the employment of females generally.

SB 197, by Senator Bishop: AN ACT relating to the Department of Highways.

SB 198, by Senator Bishop: AN ACT changing the classification of the City of Manchester, in Clay County.

Report of Committees

Committee on Agriculture and State Fair reported **SB 152, HB 85, HB 79** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 152, AN ACT relating to the Egg Marketing Law.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 260.550 of the Kentucky Revised Statutes is amended to read as follows:

No person shall buy, sell, trade, traffic, or process eggs in Kentucky, *having as their origin or destination any other state,* without a license issued pursuant to the Egg Marketing Law. [with the following exceptions:

(1) Those who sell only eggs produced by their own flocks;

(2) Hatcheries purchasing eggs to be used exclusively for hatching purposes;

(3) Hotels, restaurants, and other eating places where all eggs purchased are served in the establishment;

(4) Bakeries, confectioneries, and ice cream manufacturers who use eggs in a manufactured product; and

(5) Consumers buying eggs for their own consumption.]

HB 85, AN ACT relating to tobacco warehouses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 248.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who receives or undertakes to receive or take care of leaf tobacco for sale at public auction, whether with or without compensation, shall post or cause to be posted, a notice, in a conspicuous place upon his premises, stating the number of pounds

in the aggregate, actually sold, and the average price per pound received on account of each day's sale. He shall post the notice not later than 9 a.m. on the day following the sale. He shall also, not less than thirty minutes prior to such a sale, post at a point in the office of his warehouse, convenient and accessible for public inspection, a typewritten or printed list showing the true name and post-office address of the owner and producer and the number of pounds of tobacco of each person whose tobacco will that day be offered for sale in the warehouse. No tobacco shall be delivered to or received by any warehouse for sale at public auction, unless the true names and post-office addresses of the producer and owner of the tobacco are furnished the warehouse by the person delivering the tobacco. *He shall also post in a conspicuous place a schedule setting forth the rates of all commissions, fees, discounts, and deductions.*

(2) No person shall, in the notice required by subsection (1), falsify the actual number of pounds sold or the average price of the tobacco sold, or falsely list the name, post-office address or number of pounds of tobacco of any producer or owner whose tobacco will that day be offered for sale, or furnish a false name or address of the owner or producer to any warehouse.

HB 79, AN ACT relating to watershed conservancy districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 262.740 of the Kentucky Revised Statutes is amended to read as follows:

(1) Within thirty days after a watershed conservancy district is created, *nominating petitions may be filed with* the board of supervisors [shall cause an election to be held therein,] for the election of a board of directors consisting of five members, who shall hold office for a term of four years. Such board of directors shall, under the supervision of the board of supervisors, be the governing body of the watershed conservancy district. *The board of supervisors shall give due notice of the election of directors and shall, as nearly as practicable, conduct the election in the manner prescribed by KRS 262.220.*

(2) If the territory embraced within a watershed conservancy district lies within more than one soil conservation district, each of said additional districts with minority of the land involved in the watershed shall be entitled to elect three additional directors.

(3) The board of directors shall annually elect from its membership a chairman, secretary, and treasurer. The treasurer shall execute an official bond for the faithful performance of the duties of his office to be approved by the board of directors. Such bond shall be

executed with at least three solvent personal sureties whose solvency must exceed the amount of the bond, or by a surety company authorized to do business in this state, and shall be in an amount determined by the board of directors. If the treasurer is required to execute a surety company bond, the premium on the bond shall be paid by the board of directors.

(4) Each person desiring to be a director of a watershed conservancy district shall file a nominating petition with the board of supervisors, signed by twenty-five or more landowners within the watershed conservancy district of the county involved, or, if less than fifty landowners are involved a majority of such landowners. *Nominating petitions for the election of any director following the first election of members of the board after creation of the district shall be filed with the board of supervisors not less than forty-five days prior to the day of the regular election.* If the candidates nominated do not exceed the positions available they shall be declared elected. No person shall be eligible to be a director of a watershed conservancy district who is not a landowner in the district in which he seeks election.

Committee on Ways and Means reported **HB 21**, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 21, AN ACT relating to the paid atendance at motion picture theaters.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any person employed as a private investigator or confidential investigator for the purpose of determining or attempting to determine the attendance or number of paid admissions at any motion picture theater performance in this state shall furnish to the owner or general manager of the theater checked, a report of his finding on the next succeeding day and within five days after such check, a written copy of his finding or report.

Section 2. No evidence obtained by any investigator nor testimony of such investigator, shall be admissible as evidence in any court of this state, or proceedings of any kind, unless there is compliance with the provisions of Section 1 of this Act.

Committee on Municipalities reported **HB 57** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 57, AN ACT relating to metropolitan sewer districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Sections 76.240, 76.245, 76.250, 76.255, 76.260, 76.265, 76.266, 76.270, 76.275, 76.280, and 76.290 of the Kentucky Revised Statutes are repealed.

Committee on Agriculture and State Fair reported **HB 78** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 78, AN ACT relating to soil conservation districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 262.240 of the Kentucky Revised Statutes is amended to read as follows:

(1) A supervisor's term begins on January 1 following his election. The three supervisors elected with the highest number of votes in the general election of 1960 shall serve for four years; the other two supervisors elected in 1960 shall serve for two years. In the event only five nominating petitions for supervisors are filed, the commission shall declare the nominees elected without an election, and shall name three of the nominees to serve terms of four years, and two to serve terms of two years. In 1962 two supervisors shall be elected for four years and thereafter supervisors shall be elected for four years as their terms expire. Nominating petitions for supervisors shall be filed with the commission not less than forty-five days prior to the day of the election. No such nominating petition shall be accepted by the commission unless it is signed by twenty-five or more owners of land lying within the boundaries of the district. Landowners may sign more than one nominating petition to nominate more than one candidate for supervisor. In the event nominating petitions for only the number of supervisors to be elected are filed, the commission shall declare the nominees elected without holding an election. The election shall be conducted by the commission as provided for under KRS 262.220.

(2) A supervisor shall hold office until his successor has been elected and has qualified. Vacancies shall be filled for the unexpired term by appointment by the commission.

(3) A supervisor may be reimbursed for expenses necessarily incurred in the discharge of his duties and may be paid a per diem for attending meetings or otherwise discharging the obligations of his office.

(4) A supervisor shall be a resident of the *county, or* district *in which he serves as a supervisor* [for which he is elected], and upon moving from the county, *or district* [in which the district is located], the supervisor shall be ineligible to serve as a supervisor and his office shall be vacant.

(5) Any supervisor may be removed by the commission upon notice and hearing for neglect of duty or malfeasance in office. A supervisor shall not be removed except pursuant to this subsection.

Committee on Charitable, Penal and Reformatory Institutions reported **SB 72, SB 147** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 72, AN ACT relating to production by patients in institutions for the retarded.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 203.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The superintendent of the institutions for feebleminded or epileptic persons shall provide such care and training for each inmate as may be necessary to render him more useful and happy and to make him as nearly self-supporting as his mental capacity permits.

(2) The inmates of such institutions may manufacture and produce for their *own* use, or for *sale,* [the use of other state charitable and penal institutions] such articles, furniture, clothing, tools, products, and other supplies and engage in such labor or work of construction as may be approved by the *Division of Mental Retardation.* [department]

SB 147, AN ACT relating to crime and punishment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 432.370 of the Kentucky Revised Statutes is amended to read as follows:

[(1)] Any prisoner confined on a sentence of imprisonment or under a capias who escapes jail, or any person lawfully arrested [for a violation of the criminal or penal laws] who forcibly or by bribery effects his escape from the officer or guard, shall be imprisoned for not less than *two* [six] nor more *than five years.* [than twelve months.]

[(2) Any person convicted of a felony who escapes from jail shall be confined in the penitentiary for one year.]

Section 2. Section 432.400 of the Kentucky Revised Statutes is amended to read as follows:

Except as provided in KRS 432.410 for aiding an escape from a penal institution of a city of the first class:

(1) Any person who conveys anything into a jail or county prison with intent to facilitate the escape of a person detained in jail or in custody [on a conviction or charge of felony,] or otherwise aids such person to escape, or forcibly rescues him, shall, if the escape or rescue is effected, be confined in the penitentiary for not less than one nor more than five years.

(2) Any person who aids another [, charged with a felony and] lawfully detained in a jail or in custody, to escape, if the escape is not effected, shall be *confined in the penitentiary for not less than two nor more than five years.* [fined not less than one hundred dollars nor more than five hundred dollars.]

[(3) Any person who aids another, detained in jail or in custody charged with a misdemeanor, to escape shall be fined not less than one hundred dollars nor more than five hundred dollars, whether the escape is effected or not.]

Calendar

SB 68, SB 115, SB 56, HB 158, HB 159, SB 35, SB 73, SB 75, SB 76, SB 77, Committee Substitute for **SB 78, SB 91, SB 122, SB 74, HB 65, HB 75, HB 91, HB 136, HB 101,** with Committee Amendment, **HB 103, HB 130, HB 131, HB 132, HB 133, HB 134, HB 137, HB 135, HB 138, HB 141, HB 146, SB 128, SB 129, SB 130, SB 131, SB 132, SB 133, SB 134, SB 135, SB 136, SB 137, SB 139, SB 140, SB 146, SB 153, SR 26, SB 63, SB 96, SB 47, SB 84, SB 86, SB 120, SB 121, SB 99** taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 111 taken from Orders of the Day. Senator Ware moved that consideration of said bill be deferred and that it retain its place in Orders of the Day. Agreed.

HB 125 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 125.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Overbey, Palmer, Raney, Turner, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 125** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Garnett moved suspension of the Rules for the purpose of giving Committee Reports. Agreed.

Report of Committees

Committee on Judiciary and Judicial Council reported **SR 14** without expression of opinion.

Committee on Judiciary and Judicial Council reported **SB 119, HB 73** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 119, AN ACT relating to juvenile courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 208.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 208.010 to 208.590 and 208.990, unless the context otherwise requires:

(1) "Department" means the Department of Child Welfare;

(2) "Child" means any person who has not reached his *twenty-first* [eighteenth] birthday;

(3) "Court" means the juvenile session of the county court;

(4) "Child Welfare Worker" means any employee of the Department of Child Welfare, designated as such by the Commissioner of *the Department of* Child Welfare, or *a* social worker employed by a county or city, who has been approved by the Department of Child Welfare to handle, under its supervision, services to children;

(5) *"Neglected or Dependent Child" has the same meaning as in KRS 199.011 (4);*

(6) *"Abandoned Child" has the same meaning as in KRS 199.011 (5);*

(7) *"Needy Child" means one who is in want and deprived of any of the following: the necessities for living; the education required by law; or the supervisory, medical, or other care necessary for his well-being.*

Section 2. Section 208.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) The juvenile session of *the* county court of each county shall have exclusive jurisdiction in proceedings concerning any child, living, or found, *within* [in] the county *and has not reached his eighteenth birthday:*

(a) Who has committed a public offense, except a moving motor vehicle offense, involving a child sixteen years of age or older.

The [juvenile session of the county] court shall not have jurisdiction in any prosecution of a moving motor vehicle offense involving a child sixteen years of age or older. Juvenile offenders sixteen years of age or older accused of moving motor vehicle offenses shall be treated as any adult offender; *provided, however, that the term "moving motor vehicle offense" shall not be deemed to include the offense of stealing or converting a motor vehicle nor operating the same without the owner's consent, nor any offense which constitutes a felony; or*

(b) Who does not subject himself to the reasonable control of his parents, teacher, guardian or custodian by reason of being wayward or habitually disobedient; or

(c) *Who is an habitual truant from home or from school; or*

(d) *Who is found by the court to be dependent, neglected, needy or abandoned.*

(2) *The court of each county wherein a public offense, as defined in KRS 208.020 (1) (a), is committed by a child who is a resident of another county of this state, shall have concurrent jurisdiction over such child with the court of the county wherein the child resides, or the court of the county where the child is found. Whichever court first acquires jurisdiction of such child may proceed to final disposition of his case, or, in its discretion may make an order transferring the case to the court of the county of his residence, or the county wherein the offense was committed, as the case may be.*

(3) *The court of each county shall have exclusive jurisdiction of persons who, and no person shall:*

(a) *Knowingly encourage, aid, cause or in any manner contribute to the conditions which cause, or tend to cause a child who has not reached his eighteenth birthday to become delinquent, neglected, dependent, needy or charged with a crime; or*

(b) *Willfully fail to do any act that will directly tend to prevent a child who has not reached his eighteenth birthday becoming delinquent, neglected, dependent, needy, abandoned or charged with a crime.*

(4) Nothing in *Chapter 208, of the Kentucky Revised Statutes,* [this chapter] shall deprive other courts of the *jurisdiction* [right] to determine the custody *or guardianship* of children upon writs of habeas corpus, or to determine the custody or guardianship of children when such custody or guardianship is incidental to the determination of other causes pending in such other courts; nor shall anything in *Chapter 208,* [this Chapter] *of the Kentucky Revised Statutes,* affect the jurisdiction of circuit courts over adoptions and [over] proceedings for termination of parental rights. *The juvenile court shall have no jurisdiction to make permanent awards of custody of a child, but if the court finds an emergency to exist affecting the*

welfare of a child, it may make temporary orders for its custody, pending the outcome of proceedings in circuit court to determine its permanent custody. Such orders shall be entirely without prejudice to the proceedings for permanent custody of the child, and shall remain in effect until modified or set aside by the court. Upon the entry of a temporary or final judgment in the circuit court, awarding custody of such child, all prior orders of the juvenile court in conflict therewith shall be deemed cancelled.

Section 3. Section 208.160 of the Kentucky Revised Statutes is amended to read as follows:

When the health *or physical condition* of any child before the juvenile court requires it, the court may order the child to be placed in a public hospital or institution for treatment or special care, or in a private hospital or institution which will provide treatment and care. In order to ascertain *the physical condition of a child,* [whether the child is in normal health] the court may cause the child to be examined by a health officer or children's clinic or any reputable physician who will conduct the examination.

Section 4. Section 208.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) If, during the course of any proceeding in the juvenile court, it appears *to the court that there is reasonable cause to believe* that a child before the court has committed a felony, and, at the time of commission of the offense, the child was sixteen years of age or older, or was less than sixteen years of age, but the offense was murder or rape, *including being an accessory to either of said offenses before the fact,* and the court is of the opinion that the best interests of the child and of the public require that the child be tried and disposed of under the regular law governing crimes, the court in its discretion may make an order transferring the case to the circuit court of the county in which the offense was committed. No child shall be considered a felon for any purpose until transferred to, tried and convicted of a felony by a circuit court.

(2) When juvenile court so transfers a case to the circuit court:

(a) If a grand jury considers the case and is satisfied there is sufficient evidence to indict the child, it may either return an indictment or may return a written report to the circuit court recommending that the child be committed to the department. If the court believes that such commitment would be proper, it may order the child committed to the department.

(b) If, during any stage of the trial in the circuit court, the child, or his parent or guardian so requests, the judge in his discretion may stop the trial and commit the child to the department.

(c) If neither of the procedures specified in paragraphs (a) and (b) of this subsection are employed, the child shall be tried as any other defendant.

(d) While under the jurisdiction of the circuit court, the child shall be subject to bail the same as an adult.

(e) Any commitment to the department under paragraph (a) or (b) of this subsection, shall be for an indeterminate period not to exceed the age of twenty-one.

Section 5. Section 208.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) If a child tried on a felony charge in the circuit court, under paragraph (c) of subsection (2) of KRS 208.170 is convicted of a felony, and sentenced to imprisonment, he shall be committed to the penitentiary, except that in the case of a child who is under *eighteen* [twenty] years of age at the time of sentencing, the court in its discretion may commit the child to the department. In such case, if the period of the sentence imposed by the verdict would expire before the child reaches twenty-one years of age, the commitment to the department shall be for an indeterminate period not to exceed the age of twenty-one. If the period of the sentence imposed by the verdict would extend beyond the age of twenty-one, the commitment shall be to the department until the age of twenty-one, and thereafter to the penitentiary. In the latter case, if the child is out on parole at the time he becomes twenty-one, *he may be transferred to supervision of adult parole officers.* [He shall continue to be subject to the parole supervision of the department;] However, if the parole is revoked he shall be returned to the penitentiary and shall thereafter be dealt with the same as an adult sentenced to the penitentiary.

(2) If a child tried on a felony charge in the circuit court, under paragraph (c) of subsection (2) of KRS 208.170 is convicted of a misdemeanor, and sentenced to imprisonment, he shall be committed to the county jail, except that in the case of a child who is under *eighteen* [twenty] years of age at the time of sentencing, the court in its discretion may commit the child to the department, for an indeterminate period not to exceed the age of twenty-one years.

Section 6. Section 208.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) If, in its decree the juvenile court finds that the child *comes within the purview of KRS 208.020 (1) or (2),* [has committed a public offense] the court may, by order:

(a) Place the child on probation or under supervision in his own home or in a suitable family home or boarding home, upon such conditions as the court shall determine. Probation *or supervision* shall not be ordered or administered as punishment, but as a measure for the protection, guidance and well-being of the child and his family. A child so placed on probation *or supervision* shall be subject to the visitation and supervision of a probation officer or a child welfare worker. Probation *and supervision* methods shall be directed to the discovery and correction of the basic causes of maladjustment and to the development of the child's personality and character, with the aid of the social resources of the community. A child so placed on probation *or* supervision shall remain subject to the jurisdiction of the juvenile court until he becomes twenty-one years of age, unless he is discharged prior thereto by the court.

(b) Commit the child to the custody or guardianship of a private or public institution or agency *other than the department,* authorized to care for such children, or under the guardianship of a suitable person. Such commitment shall be until the age of twenty-one subject to the power of the court to discharge the child prior thereto, *or of the governing authorities of said agency or institution to do so upon notice to the court.* In committing a child to a private institution or agency the court shall select one that is approved by the Department of *Child Welfare* [Economic Security] and children committed to such an institution or agency shall be subject to the visitation and supervision of a probation officer or child welfare worker.

(c) Commit the child to the department. Such commitment shall be for an indeterminate period not to exceed the age of twenty-one.

(2) If, in its decree, the juvenile court finds that the child comes within the purview of KRS 208.020 (1) or (2), the court may dispose of the child as provided in subsection (1) (a), (1) (b) or (1) (c) of KRS 208.200, except that, if a child comes within the purview of KRS 208.020 (1) (d), the court may not commit the child to the department unless the department has indicated to the court that it has facilities and funds available to care for the child and is willing to accept the commitment.

(3) *In the event a child who has not reached his eighteenth birthday commits a new offense, while a ward of the department, the court shall have exclusive, original jurisdiction of the new offense, and may modify all previous orders, including that committing the child to the department. Nothing in this section shall limit the jurisdiction of any other court in assuming jurisdiction of wards of the department between the ages of eighteen and twenty-one years who have committed another public offense after attaining the age of eighteen.*

(4) [2] If a child is disposed of as provided in paragraph (a) or (b) of subsection (1) of this section the court may modify or set

aside its order at any time, and direct that the child be otherwise disposed of, in accordance with KRS 208.010 to 208.990, *except that, after a child has been disposed of as provided in paragraph (a) or (b) of subsection (1), he may not then be transferred to the circuit court as provided for in KRS 208.170.*

(5) [3] No adjudication by a juvenile court of the status of any child shall be deemed a conviction, nor shall such adjudication operate to impose any of the civil disabilities ordinarily resulting from a criminal conviction, nor shall any child be found guilty or be deemed a criminal by reason of such adjudication.

Section 7. Section 208.280 of the Kentucky Revised Statutes is amended to read as follows:

If it appears that the parent of any child who has been *found to fall within the purview of this chapter and who has been left in his own home or in the home of a relative,* placed on probation [in a family home] *or placed in a foster home* or boarding home *or in the care of a public or private* [or has been committed to the department or to an] institution or agency, *or the department* is able to contribute to the support of the child, the court shall enter an order requiring the parent to pay a reasonable sum from time to time for the support, maintenance or education of the child. The order shall direct that the money be paid to the county clerk to be disbursed as ordered by the court or be paid to the person, institution, agency or department to which the child was committed or probated. On application and on such notice as the court may direct, the court may make alterations in the requirement for contribution. The court may require the parents to give security for payment of the sums due, and shall *have the powers of a court of equity in enforcing its orders.* [Enforce its orders as in cases of contempt]. The enforcement of a sentence imposed on a parent who fails to comply with the order of the court may be suspended at the discretion of the court, but the suspension *may be revoked at the discretion of the court* [shall be revoked] upon *the* failure of the parent to obey *further* [the] orders of the court.

Section 8. Section 208.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) In counties containing a city of the first or second class, the county judge may appoint a chief probation officer of the juvenile court and such number of assistant probation officers, professional and clerical personnel as may be authorized by the fiscal court. Such officers shall receive reasonable salaries to be fixed by the fiscal court, and shall be allowed their actual and necessary expenses incurred in the performance of their duties. The salaries and expenses shall be paid out of the county treasury. The officers

shall serve at the pleasure of the county judge. The officers shall *be peace officers, with all* [have] the powers of *the* [a] sheriff in making arrests and *carrying out the purposes of this Act. A probation officer may take into custody any child that he has reasonable grounds to believe is in violation of conditions of his or her probation, and detain such child for appropriate action by the court.*

(2) In any county, the county judge may appoint or designate one or more discreet persons of good moral character to serve as volunteer probation officers of the juvenile court. Such officers shall serve during the pleasure of the judge and without compensation, except that the fiscal court may authorize the payment of compensation and *reasonable expenses* out of the county treasury of any such officers. Representatives of the Department *of Child Welfare* [of Economic Security] may be appointed or designated as such volunteer probation officers, but without compensation from county funds.

(3) *A child welfare worker may be, upon the recommendation of the Commissioner of the Department of Child Welfare, appointed by the Governor to act as a peace officer in carrying out the purpose of KRS 199. and KRS 208.* If the Department [of Economic Security] deems it necessary, it may appoint a child welfare worker to cooperate with the court.

Section 9. Section 208.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) No probation officer, nor employee of a probation office, shall, without the consent of the county judge, divulge or communicate to any person other than the court, a member of the advisory board of the court, or a representative of the department any information obtained pursuant to the discharge of his duties pertaining to children, nor shall any record of the actions of the probation officer in such behalf be made public except by leave of the county judge: *Provided, that nothing in this subsection shall prohibit the probation officer from divulging or communicating such information to the court, to his colleagues or superiors in his own department, to another probation officer having a direct interest in the record or social history of the child, or to a representative of any public or private social agency, institution, hospital or church having a direct interest in the record or social history of the child.*

(2) *All police records regarding children who have not reached their eighteenth birthday shall not be opened to scrutiny by the public. However, such police records shall be made available to the family, guardian or legal representative, of the child involved. Such records shall also be made available to the court, probation officers, representatives of the Department, or to a representative of any public or private social agency, institution, hospital or church having a direct interest in the record or social history of the child.*

(3) [2] This section shall relieve the probation officer or police officer from divulging such facts as a witness on the trial of any case, or the hearing of any proceedings, or the production of such records for use in such trial or proceedings; *except that the facts may be divulged or the records produced where the case on trial is an appeal from the juvenile court's order, or a case transferred to circuit court from juvenile court, pursuant to KRS 208.170, and the facts or records relate directly to the child's participation in the offense with which he is charged, if any.*

Section 10. Section 208.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any child committed to the department [who has committed a public offense] may on the recommendation of the child welfare worker, at any time during the period of his commitment, be:

(a) Discharged from commitment, unless he was committed by a circuit court upon a felony conviction and was given a sentence the period of which will extend beyond the age of twenty-one;

(b) Placed [on parole] in the home of his parents, or in a suitable foster home, family home or boarding home, upon such conditions as the department may prescribe and subject to visitation and supervision by a child welfare worker;

(c) Placed in one of the institutions operated by the department; *except that no child committed to the department as a needy, neglected or dependent child, shall be placed in an institution operated by the department for children committed to the department as delinquents;*

(d) Placed in a child-caring institution operated by a local governmental unit or by a private organization willing to receive the child, upon such conditions as the department may prescribe;

(e) Disposed of as provided in KRS 208.460 or 208.470.

(2) Unless the child has been discharged from commitment, any disposition of a child made under this section may at any time during the period of his commitment be changed and other disposition made in accordance with the provisions of this section.

Section 11. Section 208.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates KRS 208.120 shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned in the county jail for not more than thirty days, or both.

(2) Any person who transports or causes or permits a female child to be transported in violation of subsection (1) of KRS 208.260 shall be fined not less than one hundred dollars nor more than five hundred dollars.

(3) Any person who violates subsection (2) of KRS 208.260 shall be fined not more than one hundred dollars.

(4) *(a) Any adult person who violates subsection (3) of KRS 208.020 shall be fined not more than five hundred dollars or imprisoned in the county jail or workhouse not more than twelve months, or both;*

(b) *Instead of the penalty imposed by paragraph (a) of this subsection, the court may suspend the sentence or release the defendant on probation upon his recognizance, with or without sureties. The defendant may be ordered during the effective period of his probation to make his personal appearance in court from time to time, and shall provide and care for the child as directed by the court, and shall further comply with the orders of the court. If the court is satisfied on information or proof under oath that the defendant has violated the terms of the order, it may revoke the order and sentence him under the original order of conviction.*

Section 12. Section 199.320 and 199.990 (2) of the Kentucky Revised Statutes are hereby repealed.

Section 13. Section 200.110 of the Kentucky Revised Statutes is hereby repealed.

HB 73, AN ACT relating to the drafting of certain legal documents.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

No county clerk shall receive, or permit the recording of any instrument by which the title to real estate or personal property, or any interest therein, or lien thereon, is conveyed, granted, encumbered, assigned, or otherwise disposed of; nor receive any instrument, or permit any instrument, provided by law, to be recorded as evidence of title to real estate; and shall not receive, or permit any instrument, relating to the organization or dissolution of a private corporation, unless such instrument has endorsed on it, a printed, type-written or stamped statement showing the name and address of the individual who prepared the instrument, and such statement is signed by such individual.

This Act shall not apply to any instrument executed or acknowledged prior to July 1, 1962.

Committee on Insurance reported **SB 88, SB 92** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 88, AN ACT relating to the State Fire and Tornado Insurance Fund.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 56.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) If at the end of any fiscal year the moneys and securities to the credit of the State Fire and Tornado Insurance Fund exceed two million dollars, any such excess shall be available to the Department of Finance for the purpose of improving conditions relating to life and fire safety in state properties. Such improvements may include but not be limited to the construction and equipping of a fire house in the Capital City. Allocations by the Department of Finance shall be made on the basis of recommendations made pursuant to KRS 56.170 by the Commissioner of Insurance.

(2) *If conditions with respect to life and fire safety in state properties are such as not to require the expenditure of all excess funds for such improvements, then the Commissioner of Insurance and the Commissioner of Finance shall determine the amount of such excess not so required and may authorize its transfer to the capital construction fund.*

SB 92, AN ACT relating to the Financial Responsibility Law.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 187.330 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department, within sixty days after receiving the report of the accident as required under KRS 187.320, shall suspend the license of each operator and all registrations of each owner certified as required to deposit security under this section, and, if such operator is a nonresident, the privilege of operating a motor vehicle within this state, and, if such owner is a nonresident, the privilege of the use within this state of any motor vehicle owned by him, unless such operator or owner or both shall deposit security in the sum determined by the department as sufficient to satisfy any judgment or judgments for damages resulting from such accident as may be recovered against such operator or owner; provided notice of such suspension shall be sent by the department to such operator and owner not less than ten days prior to the effective date of such suspension and shall state the amount required as security.

(2) This section shall not apply:

(a) To such operator or owner if such owner had in effect at the time of such accident an automobile liability policy with respect to the motor vehicle involved in such accident;

(b) To such operator, if not the owner of such motor vehicle if there was in effect at the time of such accident an automobile liability policy or bond with respect to his operation of motor vehicles not owned by him;

(c) To such operator or owner if the liability of such operator or owner for damages resulting from such accident is, in the judgment of the department, covered by any other form of liability insurance policy or bond; or

(d) To any person qualifying as a self-insurer under KRS 187.600.

(3) No such policy or bond shall be effective under this section unless issued by an insurance company or surety company authorized to do business in this state, except that if such motor vehicle was not registered in this state, or was a motor vehicle which was registered elsewhere than in this state at the effective date of the policy or bond, or the most recent renewal thereof, such policy or bond shall not be effective under this section unless the insurance company or surety company if not authorized to do business in this state shall execute a power of attorney authorizing the department to accept service on its behalf of notice or process in any action upon such policy or bond arising out of such accident; provided, however, every such policy or bond is subject, if the accident has resulted in bodily injury or death, to a limit, exclusive of interest and costs, of not less than *ten* [five] thousand dollars because of bodily injury to or death of one person in any one accident and, subject to said limit for one person, to a limit of not less than *twenty* [ten] thousand dollars because of bodily injury to or death of two or more persons in any one accident, and, if the accident has resulted in injury to or destruction of property, to a limit of not less than *five* [one] thousand dollars because of injury to or destruction of property, of others in any one accident.

(4) Upon receipt of notice of such accident, the insurance company or surety company which issued such policy or bond shall notify the department within such time and in such manner as the department may require, in case such policy or bond was not in effect at the time of such accident.

Committee on Revenue and Taxation reported SB 24 with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 24, AN ACT relating to corporation taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise:

(1) The term "small business corporation" means a corporation which is not a member of an affiliated group, as defined in KRS 141.205, and which does not:

(a) Have more than ten shareholders;

(b) Have as a shareholder a person other than an estate who is not an individual;

(c) Have a nonresident as a shareholder; and

(d) Have more than one class of stock.

(2) The term "electing small business corporation" means, with respect to any taxable year, a small business corporation which has made an election under Section 4 of this Act and which, under Section 7 of this Act, is in effect for such taxable year.

(3) The term "undistributed taxable income" means the taxable income computed as provided in KRS 140.010 (11) minus the amount of money distributed as dividends during the taxable year, to the extent that any such amount is a distribution out of earnings and profits of the taxable year.

(4) The term "gross income" means the term as defined in KRS 141.010 (25).

Section 2. For the purpose of Section 1 (1) (a) of this Act, stock which is:

(1) Community property of a husband and wife or the income from which is community income under the applicable community property law of a state; or

(2) Held by a husband and wife as joint tenants, tenants by the entirety, or tenants in common shall be treated as owned by one shareholder.

Section 3. (1) A corporation, which meets all the requirements of Section 1 (1) of this Act other than the residency requirement of its shareholders, may become a small business corporation for the purpose of this Act by:

(a) Filing with the Department of Revenue its consent to be liable for the tax which a nonresident shareholder fails to pay on his share of the corporation's undistributed taxable income; and

(b) Posting a bond in an amount as determined by the Commissioner of Revenue for the purpose of indemnifying the state against loss of revenue by virtue of a nonresident shareholder's failure to pay the tax imposed by this Act and KRS Chapter 141.

(2) A corporation's liability under this section shall not exceed the pro rata amount of tax which the corporation would have paid, if the election under Section 4 of this Act had not occurred.

Section 4. Except as provided in Section 9 of this Act, a small business corporation, which has elected as to taxable status under

Sections 1371 to 1377 of the Internal Revenue Code in effect on January 1, 1960, may elect, in accordance with the provisions of this Act, not to be subject to the tax imposed by KRS 141.040. The election shall be valid only if all persons who are shareholders in the corporation:

(1) On the first day of the first taxable year for which the election is effective, if the election is made on or before such first day, or

(2) On the day on which the election is made, if the election is made after such first day, consent to the election.

Section 5. (1) If a small business corporation makes an election under Section 4 of this Act, then with respect to the taxable years of the corporation for which the election is in effect, the corporation shall not be subject to the tax imposed by KRS 141.040 and, with respect to such taxable years and all succeeding taxable years, the provisions of Section 17 shall apply to the corporation.

(2) If a small business corporation makes an election under Section 4 of this Act, then with respect to the taxable years of a shareholder of the corporation in which or with which the taxable years of the corporation for which the election is in effect end, the provisions of Sections 10, 11, 12, 13, 14 and 15 of this Act shall apply to the shareholder, and with respect to such taxable years and all succeeding taxable years, the provisions of Section 16 of this Act shall apply to the shareholder.

Section 6. (1) A small business corporation may make an election under Section 4 of this Act for any taxable year at any time during the first month of the taxable year, or during the month preceding.

(2) For the first taxable year which begins after December 31, 1959, and on or before the effective date of this Act, the election may be made within the ninety day period, the election may be made before the close of such taxable year. No election may be made under this subsection unless the electing small business corporation has been a small business corporation on each day after December 31, 1959 and before the day of the election.

Section 7. (1) An election shall be effective for the taxable year of the corporation for which it is made and for all succeeding taxable years of the corporation, unless it is terminated or revoked with respect to any such taxable year, under Section 8 of this Act.

Section 8. (1) An election under Section 4 of this Act made by a small business corporation shall terminate if any person who was not a shareholder in the corporation on the first day of the first taxable year of the corporation for which the election is effective, if such election is made on or before such first day, or on the day on which the election is made, if the election is made after such first day, becomes a shareholder in the corporation and does not consent to the election within the time as the Commissioner of Revenue shall prescribe. The termination shall be effective for the taxable year of the corporation in which such person becomes a shareholder in the corporation and for all succeeding taxable years of the corporation.

(2) An election under Section 4 of this Act made by a small business corporation shall terminate if at any time after the first day of the first taxable year of the corporation for which the election is effective, if the election is made on or before such first day, or after the day on which the election is made, if such election is made after such first day, the corporation ceases to be a small business corporation. The termination shall be effective for the taxable year of the corporation in which the corporation ceases to be a small business corporation and for all succeeding taxable years of the corporation.

(3) An election under Section 4 of this Act made by a small business corporation shall terminate if for any taxable year of the corporation for which the election is in effect, the corporation derives more than eighty percent of its gross receipts from sources outside the United States. The termination shall be effective for the taxable year of the corporation in which it derives more than eighty percent of its gross receipts from sources outside the United States, and for all succeeding taxable years of the corporation.

(4) An election under Section 4 of this Act made by a small business corporation shall terminate if, for any taxable year of the corporation for which the election is in effect, the corporation has gross receipts more than twenty percent of which is derived from royalties, rents, dividends, interests, annuities, and sales or exchanges of stock or securities (gross receipts from such sales or exchanges being taken into account for purposes of this subsection only to the extent of gains therefrom). The termination shall be effective for the taxable year of the corporation in which it has gross receipts of such amount, and for all succeeding taxable years.

(5) An election under Section 4 of this Act made by a small business corporation may be ordered to be terminated by the Commissioner of Revenue, if, for any taxable year of the corporation for which the election is in effect, a shareholder has failed to pay to this state the tax owed by him by virtue of the election. The termination shall be effective for the taxable year of the corporation succeeding the taxable year in which the shareholder has failed to pay the tax, and for all succeeding taxable years of the corporation.

(6) An election under Section 4 of this Act made by a small business corporation may be revoked by it for any taxable year of the corporation after the first taxable year for which the election is effective. An election may be revoked only if all persons who are

shareholders in the corporation on the day on which the revocation is made consent to the revocation. A revocation under this subsection shall be effective for the taxable year in which made, if made before the close of the first month of the taxable year, or for the taxable year following the taxable year in which made, if made after the close of such first month, and for all succeeding taxable years of the corporation.

Section 9. If a small business corporation has made an election under Section 4 of this Act and if the election has been terminated or revoked under Section 8 of this Act, the corporation and any successor corporation shall not be eligible to make an election under Section 4 of this Act for any taxable year prior to its fifth taxable year which begins after the first taxable year for which the termination or revocation is effective, unless the Commissioner of Revenue consents to such election.

Section 10. (1) The undistributed taxable income of an electing small business corporation for any taxable year shall be included in the gross income of the shareholders of the corporation in the manner and to the extent set forth in this section.

(2) Each person who is a shareholder of an electing small business corporation on the last day of a taxable year of such corporation shall include in his gross income, for his taxable year in which or with which the taxable year of the corporation ends, the amount he would have received as a dividend, if on such last day there has been distributed pro rata to its shareholders by the corporation an amount equal to the corporation's undistributed taxable income for the corporation's taxable year. For the purposes of this Act and KRS Chapter 141 the amount so included shall be treated as an amount distributed as a dividend on the last day of the taxable year of the corporation.

(3) Each person who is a shareholder of an electing small business corporation shall include in his gross income for his taxable year, the amount of dividends actually paid to him by the corporation during his taxable year; and such dividends as well as undistributed taxable income for the purposes of this Act, and KRS Chapter 141 shall be deemed income derived from business, trade, profession, occupation or other activity carried on in this state by the shareholder.

(4) For purposes of this Act, the taxable net income of an electing small business corporation shall be determined as provided in KRS 141.010 (11).

Section 11. (1) An operating loss of an electing small business corporation for any taxable year shall be allowed as a deduction from gross income of the shareholders of the corporation in the manner and to the extent set forth in this Act.

(2) Each person who is a shareholder of an electing small business corporation at any time during a taxable year of the corporation in which it has an operating loss shall be allowed as a deduction from gross income, for his taxable year in which or with which the taxable year of the corporation ends or for the final taxable year of a shareholder who dies before the end of the corporation's taxable year, an amount equal to his portion of the corporation's operating loss as determined under Section 12 of this Act.

(3) The deduction allowed by Subsection (2) of this section shall, for purposes of this Act and KRS Chapter 141, be considered as a deduction attributable to a trade or business carried on by the shareholder.

Section 12. (1) For purposes of this Act, a shareholder's portion of the operating loss of an electing small business corporation is his pro rata share of the corporation's operating loss for his taxable year in which or with which the taxable year of the corporation ends. For purposes of this subsection, a shareholder's pro rata share of the corporation's operating loss is the sum of the portions of the corporation's daily operating loss attributable on a pro rata basis to the shares held by him on each day of the taxable year. For purposes of the preceding sentence, the corporation's daily operating loss is the corporation's operating loss divided by the number of days in the taxable year.

(2) A shareholder's portion of the operating loss of an electing small business corporation for any taxable year shall not exceed the sum of—

(a) The adjusted basis, determined without regard to any adjustment under Section 16 of this Act for the taxable year, of the shareholder's stock in the electing small business corporation, determined as of the close of the taxable year of the corporation, or, in respect of stock sold or otherwise disposed of during such taxable year, as of the day before the day of the sale or other disposition, and

(b) The adjusted basis, determined without regard to any adjustment under Section 16 of this Act for the taxable year of any indebtedness of the corporation to the shareholder, determined as of the close of the taxable year of the corporation or, if the shareholder is not a shareholder as of the close of the taxable year, as of the close of the last day in the taxable year on which the shareholder was a shareholder in the corporation.

Section 13. (1) The amount includible in the gross income of a shareholder as dividends, including amounts treated as dividends under Section 10 of this Act from an electing small business corporation during any taxable year of the corporation, to the extent that such an amount is a distribution of property out of earnings and profits derived from business done, property located, activities or sources in this state of the taxable year as specified in Section 316 (a)

(2) of the Internal Revenue Code in effect on January 1, 1956, shall be treated as a long-term capital gain to the extent of the shareholder's pro rata share of the excess of the corporation's net long-term capital gain over its net short-term capital loss for such taxable year. For purposes of this subsection the excess shall be deemed not to exceed the corporation's taxable net income, computed as provided in Section 10 (4) of this Act for the taxable year.

(2) A shareholder's pro rata share of the excess for any taxable year shall be an amount which bears the same ratio to the excess as the amount of dividends described in subsection (1) of this section includible in the shareholder's gross income bears to the entire amount of dividends described in Subsection (1) of this section includible in the gross income of all shareholders.

Section 14. Any dividend received by a shareholder from an electing small business corporation, including any amount treated as a dividend under Section 10 (2) of this Act, may be apportioned or allocated by the Commissioner of Revenue between or among shareholders of the corporation who are members of the shareholder's family as defined in Section 704 (e) (3) of the Internal Revenue Code in effect on January 1, 1956, if he determines that the apportionment or allocation is necessary in order to reflect the value of services rendered to the corporation by the shareholders.

Section 15. (1) An electing small business corporation may distribute to any shareholder all or any portion of the shareholder's net share of the corporation's undistributed taxable income for taxable years prior to the taxable year in which such distribution is made. Any such distribution shall, for purposes of this Act and KRS Chapter 141, be considered a distribution which is not a dividend, but the earnings and profits of the corporation shall not be reduced by reason of any such distribution.

(2) For purposes of this section, a shareholder's net share of the undistributed taxable income of an electing small business corporation is an amount equal to ----

(a) The sum of the amounts included in the gross income of the shareholder under Section 10 (2) of this Act for all prior taxable years, excluding any taxable year to which the provisions of Sections 13, and 14 and this section of this Act do not apply and all taxable years preceding such year, reduced by

(b) The sum of ----

(i) The amounts allowable under Section 11 (2) of this Act as a deduction from gross income of the shareholder for all prior taxable years, excluding any taxable year to which the provisions of Sections 13, and 14 and this section of this Act do not apply and all taxable years preceding such year, and

(ii) All amounts previously distributed during the taxable year and all prior taxable years, excluding any taxable year to which the provisions of Sections 13 and 14, and this section of this Act do not apply and all taxable years preceding such year, to the shareholder which under subsection (1) of this section were considered distributions which were not dividends.

Section 16. (1) The basis of a shareholder's stock in an electing small business corporation shall be increased by the amount required to be included in the gross income of the shareholder under Section 10 (2) of this Act, but only to the extent to which the amount is included in his gross income in his return, increased or decreased by any adjustment of the amount in any redetermination of the shareholder's tax liability.

(2) (a) The basis of a shareholder's stock in an electing small business corporation shall be reduced, but not below zero, by an amount equal to the amount of his portion of the corporation's operating loss for any taxable year attributable to such stock as determined under Section 12 of this Act.

(b) The basis of any indebtedness of an electing small business corporation to a shareholder of the corporation shall be reduced, but not below zero, by an amount equal to the amount of the shareholder's portion of the corporation's operating loss for any taxable year, as determined under Section 12 of this Act, but only to the extent that such amount exceeds the adjusted basis of the stock of the corporation held by the shareholder.

Section 17. (1) The accumulated earnings and profits of an electing small business corporation as of the close of its taxable year shall be reduced to the extent that its undistributed taxable income for such year is required to be included in the gross income of the shareholders of the corporation under Section 10 (2) of this Act.

(2) The earnings and profits of an electing small business corporation for any taxable year, but not its accumulated earnings and profits, shall not be reduced by any amount which is not allowable as a deduction in computing its taxable income as provided in Section 10 (4) for such taxable year.

(3) The earnings and profits and the accumulated earnings and profits of an electing small business corporation shall not be affected by any item of gross income or any deduction taken into account in determining the amount of any operating loss, computed as provided in Section 11 (3) of this Act, of the corporation.

(4) For the purpose of this section, "earnings and profits" and "accumulated earnings and profits" mean earnings and profits and accumulated earnings and profits derived from business done, property located, activities or sources in this state.

Section 18. Every electing small business corporation shall file an annual return, as required by KRS Chapter 141, and such other information as the Department of Revenue may require, including the persons to whom the taxable net income of the corporation is attributable.

Committee on Insurance reported **SB 85** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 85, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 136.330 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every foreign life insurance company doing business in this state, other than fraternal assessment life insurance companies, shall, by *March 1* [January 31] of each year, return to the *Commissioner of Insurance* [Director of the Division] a statement under oath of all premium receipts on business done in this state during the preceding calendar year or since the last return was made. "Premium receipts" includes single premiums, annuity premiums, premiums *received* [receipted for on the face of the policy] for original insurance, premiums received for renewal, revival or reinstatement of the policies, annual and periodical premiums, dividends applied for premiums and additions, and all other premium payments received on policies that have been written in this state, [or] on the lives of residents of this state, or out of this state on business done in this state, *less returned premiums.* No deduction [s] shall be made for dividends *on life insurance or annuity policies, but dividends on accident and health insurance policies may be deducted.* [A separate return shall be made on Premiums collected on industrial insurance policies, under which weekly premiums are collected.]

(2) Every company shall, at the time of making the return, pay into the State Treasury a tax of two dollars upon each one hundred dollars of such premium receipts.

(3) *This act shall be effective as of January 1, 1962, and shall apply to the premium taxes due and payable as shown on returns filed subsequent to that date.*

Orders of the Day

SB 111 taken from Orders of the Day, with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Craft moved the adoption of the Committee Amendment to **SB 111.** Agreed.

Senator Craft moved the Previous Question on **SB 111,** as amended. Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Turner, Ware. Nays 0.

Senator Craft moved that the vote by which **SB 111** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Bishop moved to amend the title to **SB 111** and that it shall be known as the "Archie Craft Bill". Agreed.

HB 108 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 108.** Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 108** was passed be reconsidered and that said motion be laid on the table. Agreed.

The President vacated the Chair, and President Pro Tem, Senator Kidwell, presided.

HB 124, HB 104, HB 77, HB 82, HB 81 taken from Orders of the Day.

Senator Ware moved that consideration of said bills be deferred and that they retain their place in Orders of the Day. Agreed.

Reference of Bills

The Clerk announced that the following bills had been referred:

Ky. Statutes #2: **SB 163, SB 164, SB 165, SB 166, SB 167, SB 168, SB 169, SB 170, SB 171, SB 172, SB 173, SB 175, SB 178, SB 179, SB 180.**

Elections and Redistricting: **SB 174**

Ky. Statutes #1: **SB 176**

Administrative Agencies: **SB 177**

Senator Ware moved that the Senate adjourn until 1 p.m., Thursday, February 8. Agreed.

THURSDAY, FEBRUARY 8, 1962

THIRTY-FIRST LEGISLATIVE DAY

The Senate was called to order by the President Pro Tem, Senator Kidwell.

Prayer by the Reverend Robert J. Laughlin, Pastor of the First Presbyterian Church of Frankfort.

The roll was called. All present except Senators Derickson and White, who were granted leave of absence on motion of Senator Ware.

Reading of Journal for February 7 dispensed with and the same approved on motion of Senator Ware.

Motions, Petitions and Communications

Senator Ware moved that all Senate bills, as they appear in the Orders of the Day, be taken up today. Agreed.

Introduction of Bills

SB 199, by Senator Bishop: AN ACT relating to the Egg Marketing Law.

SB 200, by Senator Kinkead: AN ACT relating to condemnation of property.

Report of Committees

Committee on Ky. Statutes #1 reported **HB 102** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 102, AN ACT relating to the County Employes Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 78.510 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 78.510 to 78.880 unless the context otherwise requires:

(1) "System" means the County Employes' Retirement System;

(2) "Board" means the Board of Trustees of the system;

(3) "County" means any county participating in the system in accordance with appropriate executive order, as provided in KRS 78.530, or any joint city-county agency acting as an independent entity or other independent municipal corporation except cities, by order

appropriate to its governmental structure and provided the board is willing to accept such agency or corporation;

(4) "Examiner" means the medical examiner or examiners as provided in KRS 78.510 to 78.880;

(5) "Employe" means every *regular full-time appointed or elective officer or employe of a participating county. The term shall not include persons engaged as independent contractors, and seasonal, emergency, temporary and part-time workers* [person regularly employed in rendering service to and for a county and whose compensation is payable in whole or in part by such county, and shall include all full time regular employes of the county]. In case of any doubt, the board shall determine if a person is an employe within the meaning of KRS 78.510 to 78.880 [. The judge of the county, county court clerk, county attorney, sheriff, jailer, coroner, surveyor, county commissioners, justice of the peace and constable, and all compensated employes assisting these officials in the performance of their official duties shall be considered county employes within the meaning of KRS 78.510 to 78.880];

(6) "Employer" means a county, the electorate of a county, or any authority of such county having the power to appoint or elect an employe to office or employment in such county;

(7) "Member" means any employe who is included in the membership of the system;

(8) "Service" means the total of current service and prior service as defined herein;

(9) "Current service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, on and after July 1, 1958, for which *creditable* compensation is paid. [by the employer during which employment the employe is a member of the system, except as otherwise provided in KRS 78.730;] *An employe shall be credited with one month of current service only in those months he receives compensation for at least one hundred hours of work;*

(10) "Prior service" means the number of years and completed months, expressed as a fraction of a year, of employment as an employe, prior to July 1, 1958, for which *creditable* compensation was paid [by the employer]. *An employe shall be credited with one month of prior service only in those months he received compensation for at least one hundred hours of work;*

(11) "Beneficiary" means *the estate of a member or a* [any] person entitled to receive benefits under KRS 78.510 to 78.880;

(12) "Accumulated contributions" at any time means the sum of all amounts deducted from the compensation of a member and

credited to his individual account in the members' contribution account, together with interest credited on such amounts, and any other amounts the member shall have contributed thereto, including interest credited thereon;

(13) "Creditable compensation" means *all salary, wages and fees paid to the employe as a result of services performed for the employer* [the compensation to an employe working the full working time for his position]. In cases where compensation includes maintenance and other perquisites, the board shall fix the value of that part of the compensation not paid in money;

(14) "Final compensation" of a member means the creditable compensation *of* [to] the member during the five *fiscal* [calendar] years he was paid at the highest average monthly rate of any of the last ten years of creditable compensation preceding the member's retirement date divided by the number of months of service during that five year period *multiplied by twelve.* Said five years may be fractional *and* need not be consecutive [, and include only years during which creditable compensation is received by the member. In no case will final compensation be less than that determined on the assumption that the member retired on his normal retirement date. All benefits shall be paid in accordance herewith];

(15) "Retirement allowance" means the retirement payments to which a member is entitled;

(16) "Actuarial equivalent" means a benefit of equal value when computed upon the basis of such actuarial tables as are from time to time adopted by the board;

(17) "Normal retirement date" means the sixty-fifth birthday of a member [or the date on which the member completes ten years of service, whichever occurs later, except that in no case will a member's normal retirement date be later than his seventy-fifth birthday. The normal retirement date for any member who has passed his seventy-fifth birthday on the date he becomes a member shall be the date he becomes a member, except as otherwise provided in KRS 78.670. Notwithstanding anything to the contrary contained in this subsection, the normal retirement date of a member shall not be earlier than July 1, 1960];

(18) "Fiscal year" of the system means the twelve months from July 1 through the following June 30.

Section 2. Section 78.530 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each county will participate in the system by appropriate order authorizing such participation which has been entered and duly recorded in the records of the county fiscal court. The authority to

issue and properly record such order of participation being hereby granted, permits such county to participate in the system. The effective date of such participation shall be July 1 of any year following June 19, 1958.

(2) Once a county participates it shall thereafter continue to participate.

(3) In counties having a population of seventy-five thousand or more the county fiscal court, upon request of either the clerk of the county court or the sheriff of the county, shall enter an appropriate order authorizing the participation in the system, said order to be duly recorded in the records of the fiscal court. Provided, however, anything in KRS 78.510 to 78.880 to the contrary notwithstanding, the fiscal court shall not be liable for "normal contribution" or "*past* [prior] service liability contribution" with reference to the county court clerk and his employes and deputies and the sheriff and his employes and deputies, and further that the "normal contribution" and "*past* [prior] service liability contribution" shall be considered office expenditures and shall be paid by the county court clerk and by the sheriff respectively.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any member of the system on July 1, 1962, and whose employment has previously been terminated without prejudice and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board provided such payment is made prior to January 1, 1963.

(2) Any person who becomes an employe of a participating county after July 1, 1962, and whose employment has been terminated without prejudice prior to July 1, 1962, and who has been refunded his accumulated contributions, thereby losing service credit, may regain such credit by paying to the system the amount refunded with interest at a rate determined by the board provided such payment is made within six months of re-employment.

(3) Effective July 1, 1962, and thereafter any employe of a participating county who did not elect membership as provided in KRS 78.540(2) may obtain credit for prior service and for current service by paying to the system the contribution he would have paid had he elected membership with interest at the rate determined by the board and an additional sum equal to fifty percent of this amount. The payment of the fifty percent sum shall be considered as accumulated contributions of the individual member.

(4) Service credit obtained under this section shall be disallowed if a member does not obtain twelve months additional current service after the date such rights under this section have been exercised.

Section 4. Section 78.550 of the Kentucky Revised Statutes is amended to read as follows:

Any person who is an employe on the date his county first participates in the system, either in service or on leave from service, who does not elect within the time set forth in KRS 78.510 to 78.880 to become a member and thereby make contributions required of him by KRS 78.510 to 78.880, shall forfeit all right for credit for service with any county prior to the date he might subsequently elect to become a member, *except as provided in Section 3 of this Act.* [notwithstanding anything contained in KRS 78.510 to 78.880 to the contrary. Prior to the last day of the period during which he may elect to become a member, each such person shall be notified of the penalty resulting from his failure to elect to become a member.]

Section 5. Section 78.560 of the Kentucky Revised Statutes is amended to read as follows:

(1) The membership of any person in the system shall cease:

(a) [(1)] Upon withdrawal of his accumulated contributions at or any time after termination of employment, regardless of length of service;

(b) Upon disability retirement;

[(2) After the expiration of nine calendar months following termination of employment if such termination was:]

[(a) For any reason other than involuntary termination of employment by the employer without prejudice after ten years of service but before the completion of twenty years of service, unless at such termination of employment the member has had at least twenty years of service;]

[(b) Involuntary termination of employment by the employer without prejudice if the person has less than twenty years of service, unless at such termination of employment the member has had at least ten years of service and is re-employed within eight years of said termination of employment;]

(c) [(3)] Upon service retirement;

(d) [(4)] Upon death; *and*

(e) [(5)] Upon termination of employment with prejudice. [, after twenty years of service;]

(2) [(6)] For purposes of KRS 78.510 to 78.880, termination of employment with prejudice shall mean termination as the result of conviction of the member in a court of competent jurisdiction of embezzlement or larceny of public funds or property or malfeasance in office,

or the forcing of a member to make restitution for any funds or property criminally taken by said member at the time of termination of employment.

Section 6. Section 78.570 of the Kentucky Revised Statutes is amended to read as follows:

Under such rules and regulations as are adopted by the board, each employe [of an employer upon becoming a member, or someone on his behalf,] *and each employer* shall file with the board, in such form as the board may prescribe, a statement of the facts pertaining to [his status as a] *the* member [, which shall include a detailed description of all service rendered prior to the date of the most recent termination of membership, as the result of termination of employment with such employer,] and such other information as the board may require. Until such statement is filed, no member or his beneficiary shall be eligible to receive any benefits under KRS 78.510 to 78.880. [As soon as practicable after said statement is filed, the board shall ascertain the amount of service prior to his becoming a member, if any, to which a member is entitled and shall issue to such member a certificate certifying the length of such service rendered by him which certificate shall, however, become void upon termination of membership for any reason except for death or retirement.]

Section 7. Section 78.600 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member entering the armed forces of the United States after he first participates in the system, being on leave of absence from service and not withdrawing his accumulated contributions, shall be entitled to have credited as service his period of service in the armed forces of the United States, not to exceed six years, provided his discharge therefrom is honorable and he is re-employed within one year after discharge, or upon the subsequent termination of any total disability which existed at the expiration of said year after discharge.

(2) Any member of the system who, prior to the date he first participated in the system, terminated his employment in order to enter the armed forces of the United States and who was or is re-employed *within one year* after his honorable discharge therefrom, *or upon the subsequent termination of any total disability which existed at the expiration of said year after discharge,* shall be entitled to have credited as service his period of service in the armed forces, not to exceed six years.

Section 8. Section 78.610 of the Kentucky Revised Statutes is amended to read as follows:

(1) [(a)] Each member shall, commencing on the date he becomes a member, contribute for each pay period, for which he re-

ceives compensation *four* [two and one-half] percent of his creditable compensation [if his rate of annual compensation does not exceed $4,200. If such member's rate of annual compensation exceeds $4,200, he shall contribute two and one-half percent of that portion of his creditable compensation not in excess of the equivalent applicable rate for such pay period to annual compensation of $4,200 and four percent of that portion of his creditable compensation which is in excess of such rate applicable to annual compensation of $4,200].

(2) [(b)] Each employe of a county on the date the county first participates in the system who elects to become a member subsequent to such date, but prior to the next succeeding October 1, shall make contributions which he would have made if he had elected to become a member as of the date such county first participated.

(3) [(2)] The county treasurer shall cause to be deducted from the salary or compensation of each member for each and every payroll period subsequent to the date of the establishment of the system, the contribution payable by such member as provided in KRS 78.510 to 78.880 [, but in no case shall any deduction be made from the compensation of a member after his normal retirement date if such member elects not to contribute].

(4) [(3)] In determining the creditable compensation of a member in a payroll period, the board may consider the rate of compensation payable to such member on the first day of the payroll period as continuing throughout such payroll period, and, to facilitate the making of deductions, may allow the omission of deductions [from any fractional amount less than one dollar from any member in any period and may allow the omission of deductions] from compensation for any period less than a full payroll period if any employe was not a member on the first day of the payroll period.

(5) [(4)] The deductions provided for herein shall be made notwithstanding that the minimum compensation provided by law for any member shall be reduced thereby. Every member shall be deemed to consent and agree to the deductions made as provided herein; and payment of salary or compensation less such deductions shall be a full and complete discharge of all claims for services rendered by such person during the period covered by such payment, except as to any benefits provided by KRS 78.510 to 78.880.

(6) [(5)] Notwithstanding any other provisions of this section, no deduction shall be made from any member's compensation if the employer's contribution required hereunder is in default.

Section 9. Section 78.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each employer shall contribute annually an amount equal to a *percent* [certain percentage] of the creditable compensation of

its members, to be known as the "normal contribution," and an additional amount equal to *five percent of unfunded past service liabilities, to be known as the "past service contribution."* [a certain percentage of such creditable compensation to be known as the "prior service liability contribution."]

(2) The normal contribution rate shall be determined by the entry age normal cost funding method with respect to normal, early and delayed retirement benefits and as a unit credit method for all other benefits. The past service liability shall be determined by actuarial method consistent with the methods prescribed for determining the normal contribution rate. Normal contributions and the past service liability contributions shall be determined on actuarial bases adopted by the board.

[(2) Until the prior service liability contribution is no longer required, the normal contribution shall be determined as such annual amount payable during the member's period of service while under the system required to provide the retirement allowances due to such service not provided by the member's contributions. After the prior service liability contribution is no longer required, the normal contribution shall be determined as such annual amount payable during the members' periods of service under the system required to provide the difference between the total liabilities for retirement allowances not provided by members' contributions and the amount of the assets in the retirement allowance account.]

[(3) The prior service liability contribution shall be such annual amount required to provide for the liquidation, within thirty years of July 1, 1958, of the liability for retirement allowances due to prior service with the employer. The unfunded prior service liability at any particular time shall be the excess, if any, of the then present value of the retirement allowances due to prior service over the total accumulated prior service liability contributions previously made with interest on such contributions at the rates of interest earned each year on the assets of the system.]

(3) Normal contribution and the past service contribution rates shall be determined by the board on the basis of the annual actuarial valuation last preceding the July 1 of a new fiscal year.

[(4) Normal contributions and the prior service liability contributions shall be determined on actuarial bases adopted by the board. Such contributions shall be determined by the board after each valuation and shall continue in force until a new valuation is made.]

(4) [(5)] The board shall furnish to the employer prior to the beginning of each fiscal year its best estimate of the normal contributions, the *past* [prior] service liability contributions and the expenses of administering the system as provided in KRS 78.510 to 78.880 neces-

sary to meet the provisions of KRS 78.510 to 78.880 during the fiscal year next following. The estimated amount so furnished shall be included in the budget for the county and the county shall make available to the board sufficient funds to provide actual amounts necessary for contributions and expenses.

[(6) The aggregate employer contributions payable into the retirement allowance account shall be at least sufficient, when combined with the amount then held in the account, to provide the benefits payable from such account during the current year.]

Section 10. Section 78.640 of the Kentucky Revised Statutes is amended to read as follows:

(1) The members' contribution account shall be the account to which all members' contributions and interest allowances as provided in KRS 78.510 to 78.880 shall be credited. From this account shall be paid the accumulated contributions of a member required to be returned to him upon withdrawal, or paid in the event of his death before retirement.

(2) The county treasurer shall, at the end of each payroll period, forward to the board an amount equal to the aggregate amount of the deductions made for the preceding payroll period from the salaries of all members. The county treasurer shall forward a record of all such transfers to the board.

(3) Each member's contribution provided for in KRS 78.610 shall be credited to the individual account of the contributing member.

(4) *Each member in active service and in vested retirement on June 30 of any year shall have his individual account of the members' contribution account* [Each individual account of the members' contribution account shall be] credited [annually] with interest at *a* [that] rate determined by the board but not less than two per centum per annum on the accumulated contributions of the member; provided, however, that interest shall accrue on any such contribution beginning at the end of the fiscal year in which each such contribution was made. Such amounts so credited shall be transferred from the retirement allowance account.

(5) Upon the termination of a member, his accumulated contributions shall be transferred from the members' contribution account to the retirement allowance account.

Section 11. Section 78.670 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member in service at his normal retirement date, *or subsequent thereto, with at least one year of current service,* may retire [at that time or at any time thereafter] upon written notification

to the board, made by such member [or his employer], setting forth at what time the retirement is to become effective, provided that such effective date shall be after his last day of service [but shall not be more than ninety days prior to or] *and* subsequent to the filing of such notice.

(2) Any member who is in service on or after his fifty-fifth birthday and has completed at least *fifteen* [twenty] years of service, *at least one of which is current service,* may [, upon approval by the board,] retire upon written *notification* [request] to the board, made by the member [or his employer,] setting forth at what time the retirement is to become effective, provided that such effective date shall be after his last day of service and [after the filing of such notice but shall not be more than ninety days] subsequent to the filing of such notice.

(3) Any member having left [the] service *prior to his fifty-fifth birthday* after having completed at least *fifteen* [twenty] years of service, *at least one of which is current service,* [as of the date of leaving service,] may retire *on or after his fifty-fifth birthday* [under the provisions of subsection (1), or after having completed at least thirty years of service with his employer as of the date of leaving service, may retire under the provisions of subsection (2)] provided that he shall not have withdrawn his accumulated contributions prior to the effective date of his retirement. [and except that any requirements as to the member being in service shall not apply.] *The member shall file a written notification to the board setting forth at what time the retirement is to become effective, provided that such effective date shall be subsequent to the filing of such notice.*

Section 12. Section 78.680 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon service retirement at normal retirement date, or subsequent thereto, a member *may* [shall] receive an annual retirement allowance, payable monthly during his lifetime, which shall consist of an amount equal to *one* [one-fourth] percent of the first *$4,800* [$1320] of final compensation multiplied by the number of years of service, [plus one percent of the next $2880 of final compensation multiplied by the number of years of service,] plus one and one-fourth percent of final compensation in excess of *$4,800* [$4200] multiplied by the number of years of service.

(2) Upon service retirement prior to normal retirement date, a member *may* [shall] receive an annual retirement allowance payable monthly during his lifetime which shall be determined in the same manner as for retirement at his normal retirement date with years of service and final compensation being determined as of the date of his actual retirement, but the amount of the retirement allowance

so determined shall be reduced by *five-tenths* [five-twelfths] percent for each thirty days that the actual retirement date precedes the normal retirement date.

(3) All persons retired under this section shall be entitled to have their benefits recomputed on July 1, 1962, in accordance with the formula then in effect, provided that the annual retirement allowance of a member retired prior to this date shall not be decreased.

Section 13. Section 78.690 of the Kentucky Revised Statutes is amended to read as follows:

Any member in service who has *ten* [fifteen years] or more years of service, *at least one of which is current service,* may, at any time before his normal retirement date, retire on account of disability upon written notification to the board, made by the member, [or his employer] setting forth at what time the retirement is to become effective; provided that such effective date shall be after the last day of service *and subsequent* [but shall not be more than ninety days prior] to the filing of such notice; and provided further that the [examiner, after a medical examination of such member, shall certify that such] member is, and has been continuously since *his last day of service* [such effective date, if prior to the filing of such notice], mentally or physically incapacitated *to engage in any occupation for remuneration or profit, which disability is a result of bodily injury or disease* [for the further performance of duty], and that such incapacity is likely to be permanent [and that such member should be retired].

Section 14. Section 78.700 of the Kentucky Revised Statutes is amended to read as follows:

Upon disability retirement, a member *may* [shall] receive an annual retirement allowance payable monthly during his lifetime which shall be determined in the same manner as for retirement at his normal retirement date with years of service and final compensation being determined as of the date of his disability, except that the amount of such annual retirement allowance *for a member with ten or more years of service, at least one of which is current service,* shall not be less than $480 *provided that if such sum is greater than fifty-two percent of final compensation, the annual retirement allowance shall be fifty-two percent of final compensation. All members now retired because of disability shall have their retirement allowance recomputed on July 1, 1962, in accordance with the formula then in effect, provided that the annual retirement allowance of a member retired prior to this date shall not be decreased.*

Section 15. Section 78.710 of the Kentucky Revised Statutes is amended to read as follows:

Once each year [during the first five years] following the retirement of a member on a disability retirement allowance, [and once in every three-year period thereafter,] the board *may* [will] require such member, prior to his normal retirement date, to undergo a medical examination [by the examiner]. Should the member refuse to submit to any such medical examination, his retirement allowance shall be discounted until his withdrawal of such refusal, and should such refusal continue for one year, all his rights to any further disability allowance shall cease [and he shall, at the end of such one year, cease to be a member hereunder].

Section 16. Section 78.720 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever [the examiner certifies to the board that] a member receiving a disability retirement allowance is, prior to his normal retirement date, engaged in gainful occupation of work paying more than the difference between the disability retirement allowance and *fifty percent of* his final compensation, the board may reduce such retirement allowance to an amount which, together with the amount earnable by him equals the amount of *fifty percent of* his final compensation.

(2) Should *it be determined* [the examiner report and certify to the board at any time] that any disabled member is able to engage in gainful occupation paying more than the difference between his retirement allowance and *fifty percent of* his final compensation at retirement, and should the board find that such member shall have refused any employment considered by the board suitable to his capacity, he shall not be entitled to any such allowance during the continuance of such refusal, unless in the opinion of the board such refusal was justified.

Section 17. Section 78.730 of the Kentucky Revised Statutes is amended to read as follows:

(1) Should a member receiving a disability retirement allowance recover from such disability at any time prior to his normal retirement date, his disability retirement allowance shall cease, and if he re-enters the active employ of *a participating county* [an employer] within *one year of* [thirty days after] such recovery, he shall continue to be a member of the system and shall thereafter make his required contributions. Any service on the basis of which his disability retirement allowance was computed shall thereafter be counted as service [and, in addition, the period of disability retirement shall be counted as service].

(2) The excess, if any, of accumulated contributions of such member as of the date of disability retirement over the disability retirement allowances received by him shall be transferred from the retirement allowance account to the members' contribution account.

Section 18. Section 78.740 of the Kentucky Revised Statutes is amended to read as follows:

If a member has ceased to be an employe [other than by death or by retirement under the provisions of KRS 78.510 to 78.880,] he, *if living, if not, his designated beneficiary,* shall be paid, on demand, but not later than ninety days thereafter, the amount of his accumulated contributions reduced by the amount of any retirement allowances previously received [by him] *in lieu of any other benefits due* under any of the provisions of KRS 78.510 to 78.880.

Section 19. Section 78.760 of the Kentucky Revised Statutes is amended to read as follows:

[(1)] Each member shall have the right [, with respect to paragraphs (a), (b), or (c), herein] to elect to have his retirement allowance payable under any one of the options set forth in this section in lieu of the retirement allowance otherwise payable to him upon retirement under any of the provisions of KRS 78.510 to 78.880. The amount of any such optional retirement allowance shall be the actuarial equivalent of the amount of such retirement allowance otherwise payable to him. [The member shall make such an election by written request to the board and such election shall be subject to the approval of the board.]

[(a) A member may elect to receive an increased retirement allowance in lieu of any death benefits as provided in KRS 78.750.]

(a) [(b)] The member may elect to receive a decreased retirement allowance during his lifetime and have such retirement allowance [, or one-half thereof if so designated,] continued after his death to another person during the lifetime of such person. In case of such an election death benefits that might otherwise be provided under KRS 78.750 shall not be payable upon the death of the member. [This option may not be elected by a member if the social security option of paragraph (c) herein has previously been elected.]

(b) The member may elect to receive a decreased retirement allowance during his lifetime and have one-half of such retirement allowance continued after his death to another person during the lifetime of such person. In case of such an election death benefits that might otherwise be provided under KRS 78.750 shall not be payable upon the death of the member.

[(c) If a member retires prior to his sixty-fifth birthday, he may elect to receive an increased retirement allowance up to the date he commences to receive his primary insurance benefits under Federal Social Security and a decreased retirement allowance thereafter, thereby providing a more nearly level retirement allowance when such decreased retirement allowance is added to his anticipated primary benefits under the Federal Social Security Act. The election of this option shall automatically revoke any previous election under the joint and last survivor option of paragraph (b) herein.]

[(2) The election by a member of any one of the options stated in this section shall be null and void if the member dies prior to retirement, and the election by a member of option (b) shall be effective only if the beneficiary is living at the effective date of the member's retirement.]

[(3) A member who has elected any one of the options stated in this section may, at any time prior to the later of the effective date of the member's retirement or the date of written notification to the board of retirement of the member, revoke such an election by written notification to the board.]

[(4) If any service of disability retirement allowance provided in KRS 78.670 through 78.770 is less than $20.00 a month, the board may at its discretion pay the actuarial equivalent of such allowance in any other manner agreed on by the member and the board.]

Section 20. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) If a member, eligible to retire on benefits payable as provided in KRS 78.670 (1) or (2), dies at any time before retirement and has on file with the board at the time of his death a written designation of a beneficiary, who is the spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive an annual benefit payable monthly which shall be equal in amount to the benefit that would have been paid had the member retired immediately prior to his date of death and elected option (a) as provided in KRS 78.760.

(2) If a member in service with twenty or more years of service, at least one of which is current service, dies at any time before his fifty-fifth birthday and has on file with the board at the time of his death a written designation of a beneficiary, who is the spouse or a dependent receiving at least one-half of his support from the deceased member, then said beneficiary may elect to receive on the date the member would have become fifty-five, an annual benefit payable monthly which shall be equal in amount to the benefit that would have been paid had the member retired on his fifty-fifth birthday and elected option (a) as provided in KRS 78.760.

Section 21. Section 78.770 of the Kentucky Revised Statutes is repealed.

Section 22. Section 78.780 of the Kentucky Revised Statutes is amended to read as follows:

(1) On the first day of the month following March 25, 1960, the terms of the members of the Board of Trustees then in office shall cease and terminate. Thereafter the government and control

of the system is vested in the Board of Trustees of the Kentucky Employes Retirement System. The board shall carry out the provisions of KRS 78.510 to 78.991 in the same manner in which it administers the Kentucky Employes Retirement System. In all matters concerning the administration of KRS 78.510 to 78.991, the same rights, duties, and obligations shall apply to the board as [now] apply under the provisions of KRS 61.510 to 61.700, except that members of the board, when acting for the County Employes' Retirement System, shall be limited to a per diem of ten dollars, plus actual expenses.

(2) Expenses incurred by or on behalf of the board in the administration of the system during a fiscal year shall be paid from the retirement allowance account. The expenses incurred by the board payable out of the retirement allowance account in the administration of the system during any fiscal year shall not exceed *$30,000* [$20,000], or two percent of the total employer and member contributions during such fiscal year, whichever is the larger. Nothing herein shall be construed as limiting appropriations which may be made to the system from other sources.

Section 23. Section 78.810 of the Kentucky Revised Statutes is amended to read as follows:

The State Treasurer shall be the custodian of the fund created by KRS 78.510 to 78.880 and he shall be responsible on an official surety bond for all cash and securities in his custody. All registered securities in the fund created by KRS 78.510 to 78.880 shall be registered in the name "County Employes' Retirement System *of the Commonwealth of Kentucky*" and every change in registration, by reason of sale or assignment of such securities, shall be accomplished by the signature of the State Treasurer, and securities shall be delivered by him when directed so to do by resolution of the board. All payments from said fund shall be made by him on warrants issued upon orders signed by such persons as is designated for the purpose by the board. A duly attested copy of a resolution of the board designating such person and bearing on its face the specimen signature of such person shall be filed with the *Commissioner* [Commission] of Finance as his authority for issuing warrants upon such orders. No order shall be signed unless it has previously been authorized by the board, which authorization shall be recorded on the records of the board.

Section 24. Section 78.830 of the Kentucky Revised Statutes is amended to read as follows:

As soon as practicable after its organization, the board shall adopt such actuarial tables as are necessary for the administration of the system and for the annual determination of assets and liabilities of the system. *The board shall cause an actuarial valuation to be made annually, and,* at least once in each *ten-year* [five-year] period, the board shall cause an actuarial investigation to be made of all experience under the retirement system. Pursuant to such investigation the board shall, from time to time, revise the actuarial tables previously adopted by the board and shall thereupon revise the bases of the rates of contributions required under KRS 78.510 to 78.880. All such investigations and *valuations* [evaluations] must be certified to the board by a Fellow of the Society of Actuaries.

Section 25. Section 78.850 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every member shall be deemed to consent and agree to any deduction from his compensation required by KRS 78.510 to 78.880 and to all other provisions thereof.

(2) Notwithstanding the provisions of subsection (1) hereof, the Board of Trustees is authorized to exempt, under regulations promulgated by it, those persons entering service of a participating county with more than five years of service credit in either of the Kentucky Employes Retirement System or the Teachers Retirement System who desire to remain with the system in which their service originated and who are permitted by that system so to continue. Authority for reciprocal arrangements among these three systems is recognized.

Committee on Ky. Statutes #2 reported **SB 164, SB 165, SB 166, SB 167, SB 168, SB 169, SB 170, SB 171, SB 172, SB 173** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 164, AN ACT relating to public records and public proceedings.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Pursuant to the fundamental philosophy of the American constitution form of representative government which holds to the principle that government is the servant, not the master, of the people, it is hereby declared to be the public policy of the Commonwealth of Kentucky that the people are entitled at all times to full and complete information and knowledge of the affairs of their government and of the official acts of those who the people select to represent them as public officials and employees.

The General Assembly, in enacting this chapter, finds and declares that the public commissions, boards, councils, and all other public agencies, and public officers and employees in this state exist to aid in the conduct of the people's business. It is the intent of this Act that their actions be taken openly and that their deliberations be conducted openly.

The people of the Commonwealth of Kentucky do not yield their sovereignty to the agencies which serve them. The people, in delegating authority, do not give their public servants the right to decide what is good for the people to know and what is not good for them to know. The people insist on remaining informed so that they may retain control over the instruments they have created.

To that end, the provisions of this Act shall be liberally construed with the view of carrying out this declaration of public policy.

Section 2. As used in this act:

(1) The term "public records" shall mean any writing in any form, including all papers, books, and other records of any matters required by law or administrative rule to be kept by any state, county, municipality, school district, or any other governmental unit or political subdivision, and all records arising from the exercise of functions authorized thereby.

(2) The term "public proceedings" shall mean the transaction of governmental functions affecting any or all of the people of the state by any administrative body or agency of the state, county, municipality, school district, or any other governmental unit or political subdivision, when such an administrative body or agency is convened in regular or special session for the purpose of transacting the governmental function with which it is charged under any statute or under any rule or regulation of such administrative body or agency.

(3) The term "person" shall extend and be applied to bodies—politic and corporate, societies, communities, the public generally, individuals, partnerships, and joint stock companies.

Section 3. Except as may otherwise be provided by law, any person shall, during the regular business hours of all administrative bodies or agencies of the state, county, municipality, school district, or any other governmental unit or political subdivision, have the right to inspect the public records of such administrative bodies or agencies, and to make memoranda abstracts, or copies by any duplicating process which will not injure the matter being copied, from the records so inspected. Nothing in this Act shall be construed to modify or repeal any existing law with regard to public records which, by law, are declared to be confidential.

Section 4. All public proceedings shall be open to any person, and such person shall, insofar as physical facilities permit, be permitted to observe such proceedings. No administrative body or agency shall, under the guise of holding an executive session or by any other subterfuge, conduct public proceedings in such a manner as to defeat the declared policy of this Act as set forth in Section 1 hereof.

Section 5. Any person may seek enforcement of his right to inspect public records and observe public proceedings by civil action in the circuit court.

Section 6. Any public official or employee of the state, county, municipality, school district, or of any other governmental unit or political subdivision who denies to any person the rights guaranteed under the provisions of Section 3 and 4 of this Act, and any public official who, under the guise of participating in an executive session of the administrative body or agency of which he is a member, attempts to defeat the purposes of this Act as set forth in Section 1 hereof shall be fined not less than $50.00 nor more than $100.00.

SB 165, AN ACT providing for protection of the public against untruthful, misleading, deceptive, or "bait" advertising through any form of advertising.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any person, firm, corporation or association or agent or employee thereof, who, with intent to sell, purchase, or in any wise dispose of, or to contract with reference to merchandise, real estate, service, employment, or anything offered by such person, firm, corporation or association, or agents or employee thereof, directly or indirectly, to the public for sale, purchase, distribution, or the hire of personal services, or with intent to increase the consumption of or to contract with reference to any merchandise, real estate, securities, service or employment, or to induce the public in any manner to enter into any obligation relating thereto, or to acquire title thereto, or an interest therein, or to make any loan, makes, publishes, disseminates, circulates, or places before the public, or causes, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in this state, in a newspaper, magazine or other publication, or in the form of a book, notice, circular, pamphlet, letter, handbill, poster, bill, sign, placard, card, label, or over any radio or television station or other medium of wireless communication, or in any other way similar or dissimilar to the foregoing, an advertisement, announcement, or statement of any sort regarding merchandise, securities, service, employment, or anything so offered for use, purchase or sale, or the interest, terms or conditions upon which such loan will be made to the public, which advertisement contains any assertion, representation or statement of fact which is untrue, deceptive, or misleading, or is part of a plan or scheme with the intent, design or purpose not to sell the merchandise, commodities or service so advertised at the price stated therein, or otherwise communicated, or with intent not to sell the merchandise, commodities or service so advertised, shall be guilty of a misdemeanor.

Section 2. Any advertisement shall be deemed untrue, deceptive, or misleading within the meaning of this section which uses, with or without the use of the word "value" or the word "worth" or other synonymous terms, any word or words, figure or figures, which falsely or fraudulently convey to a reader the meaning that the merchandise, securities, service, or other things so advertised are of a greater value or worth more than, or were previously sold or offered for sale at a price higher than the price quoted in said advertisement. For the purpose of this section, the words "worth" and "value" shall be taken to be the prevailing market price, wholesale if the offer is at wholesale, retail if the offer is at retail, at the time of publication of such advertisement in the locality wherein advertisement is published.

Section 3. Whenever the attorney general shall believe, from evidence satisfactory to him, that any person, firm, corporation or association, or agent or employee thereof, has engaged in any act or practice prohibited by Section 1, he may bring an action in the name and on behalf of the people of the State of Kentucky against such person, firm, corporation or association, or agent or employee thereof, to enjoin permanently such person, firm, corporation or association, or agent or employee thereof, from continuing such acts or practices. In said action, an order or a judgment may be entered awarding the relief applied for or so much thereof as the court may deem proper, and upon showing satisfactory cause to the court a temporary injunction may be issued, upon such terms as the court may impose, pending a trial or the issue.

Section 4. Any person, firm, corporation, or association, or agent or employee thereof, who willfully violates any of the provisions of this Act, shall be fined not more than five hundred dollars, or be imprisoned for not more than sixty days, or both. If a corporation, or association, violates any of the provisions of this Act, it shall be fined not more than five hundred dollars, and its president, or other officers who are responsible for the management of the corporation, or association, shall be imprisoned for not more than sixty days.

Section 5. If any provision of this Act, or its application to any person, municipality, board, bureau, commission, trusteeship, or authority, shall be held unconstitutional, such decisions shall not affect the constitutionality of any other portion of the Act, or its application to any other municipality, board, bureau, commission, or authority.

Section 6. This Act repeals Section 434.270 of the Kentucky Revised Statutes.

Section 7. This Act shall be in effect immediately after the signature of the Governor.

SB 166, AN ACT relating to financial statements.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 424.220 of the Kentucky Revised Statutes is amended to read as follows: Excepting officers of a city of the first class, a county containing such a city, a public agency of such a city or county, or a joint agency of such a city and county, or of a school district of such a city or county, and excepting officers of a city of the second class that is required by law to publish an annual audit of its financial affairs, every public officer of any school district, city, county, or subdivision or district less than a county, whose duty it is to collect, receive, have the custody, control or disbursement of public funds, and every officer of any board or commission of a city, county or district whose duty it is to collect, receive, have the custody, control or disbursement of funds collected from the public in the form of rates, charges or assessments for services or benefits, shall at the expiration of each fiscal year prepare an itemized, sworn statement of the funds collected, received, held, or disbursed by him during the fiscal year just closed, unless he has complied with KRS 424.230. The statement shall show the amount of funds collected and received, from what sources received, the amount disbursed, the date of each disbursement, for what purpose expended, and to whom paid, except that only the totals of amounts paid to each *individual as salary or commission and public utility bills* [persons] need to be shown. The officer shall procure and include in or attach to the statement as a part thereof a certificate from the cashier or other proper officer of the banks in which the funds are or have been deposited during the past year, showing the balance, if any, of funds to the credit of the officer making the statement. The officer shall, within 60 days after the close of the fiscal year, cause the statement to be published in full in a newspaper qualified under KRS 424.120 to publish advertisements for the city, county or district, as the case may be. Promptly after the publication is made, the officer shall file a written or printed copy of the advertisement with proof of publication, in the office of the county court clerk of the county. Within 30 days after publication, the officer shall file with the Auditor of Public Accounts a copy of the newspaper containing the statement.

SB 167, AN ACT relating to the compensation of physicians employed by county, city-county, and district health departments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.625 of the Kentucky Revised Statutes is amended to read as follows:

[Notwithstanding the provisions of KRS 64.620, all] Physicians employed by county, city-county, and district health departments may, upon written recommendation of the hiring and paying authorities expressly approved in writing by the State Board of Health, receive compensation in excess of, [seven thousand two hundred dollars per annum but not more than twelve thousand dollars per annum] *and without regard to, any limitation imposed by KRS 64.620 or any other existing statute,* as employees of local health units. [Approval by the State Board of Health of Compensation in excess of seven thousand two hundred dollars per annum shall be based upon studies made by said board of the duties and responsibilities of the positions, and upon a comparison with rates being paid for similar or comparable services elsewhere.] *Such rates shall be based upon studies of the duties and responsibilities of the positions and upon a comparison for rates being paid for similar or comparable services elsewhere. The State* Board *of Health* may also take into consideration other appropriate factors, including the scarcity of physicians qualified for public health work and the availability of local funds therefor.

SB 168, AN ACT relating to formal training programs for certain state government personnel.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Commissioner of Economic Security in coordination with the Department of Personnel is authorized to establish formal training programs within the Department of Economic Security or within any of the bureaus, divisions or sections of the department for the training of necessary personnel for the administration of the programs of the department. When courses of study, applicable to the program processes of the department, are not available through departmental instruction, arrangements may be made for the training of employes in any public or private school or institution having available facilities for that purpose and such training shall be deemed to be a part of the departmental training program. Training of employes in public or private schools or institutions for this purpose shall be deemed a part of research assignments to be completed during the period of study, such assignments to relate directly to the work assignment of the employe. After consulting with the Department of Personnel, position classifications in the research series shall be established for employes on such work study assignments, and funds of the department may be used to pay salaries commensurate with the appropriate classification while the employe is receiving such training. Any employe who is paid a salary while receiving such training shall be required to enter into a contract, prior to receiving the training, that he will complete a specified work assignment, and that unless he continues in the employ of the department for at least a period equivalent to the training period, immediately following the completion of such training, the state will hold a claim against him for the amount of salary paid during the training period, and he will repay to the department the sum paid to him by the department during the period of his training.

Section 2. The Commissioner of Child Welfare in coordination with the Department of Personnel is authorized to establish formal training programs within the Department of Child Welfare or within any of the divisions or sections of the department for the training of necessary personnel for the administration of the programs of the department. When courses of study, applicable to the program processes of the department, are not available through departmental instruction, arrangements may be made for the training of employes in any public or private school or institution having available facilities for that purpose and such training shall be deemed to be a part of the departmental training program. Training of employes in public or private schools or institutions for this purpose shall be deemed a part of research assignments to be completed during the period of study, such assignments to relate directly to the work assignment of the employe. After consulting with the Department of Personnel, position classifications in the research series shall be established for employes on such work study assignments, and funds of the department may be used to pay salaries commensurate with the appropriate classification while the employe is receiving such training. Any employe who is paid a salary while receiving such training shall be required to enter into a contract, prior to receiving the training, that he will complete a specified work assignment, and that unless he continues in the employ of the department for at least a period equivalent to the training period, immediately following the completion of such training, the state will hold a claim against him for the amount of salary paid during the training period, and he will repay to the department the sum paid to him by the department during the period of his training.

SB 169, AN ACT relating to voting machines.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 125.020 of the Kentucky Revised Statutes is amended to read as follows:

The fiscal court of any county may purchase or lease, from available funds or from the proceeds of bonds which may be issued for that purpose, voting machines, including extra or reserve machines, for use in regular, special and primary elections in such precincts of the county as are designated by the fiscal court by an order entered of record. *The fiscal court may, prior to any election, authorize the use of additional voting machines in any particular precinct.* Such machines may be purchased or leased at any time, but no order directing the use of voting machines in any precinct shall be made by the fiscal court less than sixty days prior to the election at which the use is to be made, nor unless the machines are available for use and have been placed in the custody of the county clerk at the time the order is made. The precincts in which voting machines are to be used may be changed from time to time by order of the fiscal court, subject to the same time limit set forth in the preceding sentence.

SB 170, AN ACT providing for the education of children who are deaf-blind, authorizing expenditures of money and providing for the implementation of a program for such education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Deaf-blind children" includes any child whose combination of handicaps of deafness and blindness prevents him from profiting satisfactorily from educational programs provided for the blind child or the deaf child.

Section 2. The State Department of Education is hereby authorized to expend available funds for the purpose of sending children who are deaf-blind to any facility, school, or institution, within or without the Commonwealth, which provides a qualified program of education for such children. Such funds may be spent for evaluation and diagnosis, room, board, tuition, transportation, and other items which are necessarily relevant to the education of such children.

Section 3. The Division of Special Education of the State Department of Education is hereby authorized to determine if deaf-blind children should be educated in a facility, school, or institution, within or without the Commonwealth. The Division of Special Education of the State Department of Education, subject to the approval of the State Board of Education, shall cooperate with existing agencies such as the Kentucky School for the Deaf and the Kentucky School for the Blind, in the coordination of their educational activities for such children.

Section 4. The State Department of Education is hereby authorized to adopt and promulgate such rules and regulations as it deems necessary and proper for carrying out the purposes of this Act.

Section 5. This Act shall become effective on July 1, 1962.

SB 171, AN ACT relating to bids for materials, supplies, equipment or services.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 68.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) The purchasing agent shall make all purchases of supplies, goods, wares and merchandise ordered by the fiscal court to be purchased for county purposes. Where the amount of the purchase exceeds $250, purchases shall be made on competitive bids from the lowest *and* [or] best bidder, and the purchase shall be approved by the fiscal court.

(2) Said purchasing agent shall be paid for his services a salary to be fixed by the fiscal court of the county and to be paid in equal monthly installments out of the county levy.

Section 2. Section 424.260 of the Kentucky Revised Statutes is amended to read as follows:

Except where a statute specifically fixes a larger sum as the minimum for a requirement of advertisement for bids, no city, county or district, or board of commission of a city or county, may make a contract for materials, supplies or equipment, or for contractural services other than professional, involving an expenditure of more than one thousand dollars without first making newspaper advertisement for bids. *Such purchases shall be made on competitive bids from the lowest and best bidder.* Provided, however, that this requirement shall not apply in an emergency if the chief executive officer of such city, county or district has duly certified that an emergency exists, and has filed a copy of such certificate with the chief financial officer of such city, county, or district.

SB 172, AN ACT relating to Registration and Purgation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 117.812 of the Kentucky Revised Statutes is amended to read as follows:

(1) Not less than ninety days prior to each primary election for state-wide officers the county registration and purgation board

shall notify by first class mail each registered voter in the county at the address listed on his registration record that if he moves from his present precinct to another within the county without having his registration record transferred as provided in KRS 117.645 by the day on which the registration books are closed, he will be disqualified from voting.

(2) The name and address of the county registration and purgation board shall be indicated in the upper left hand corner of the envelop with the following notation: "If undeliverable at address shown, return to sender immediately without recourse to directory service." When the mailed notice is returned as provided herein, the county purgation board shall immediately cancel the registration record of the voter and the names of the purged voters shall be published in a newspaper of the largest general circulation within the county not less than seventy days prior to the primary election. Any voter so purged may, however, have his name reinstated by submitting sufficient proof to the board that he is still a legal resident of the precinct. Reinstatement may be made during the period the registration books are closed by not later than twenty days before the primary.

(3) If any county registration and purgation board fails or refuses to perform its duties as required by this section, any citizen or candidate may, and the Commonwealth's Attorney or the Attorney General shall when so requested by the state registration and purgation board, apply to the circuit court of the county for a summary mandatory order to require compliance. If the circuit court finds that the county board has not complied with the provisions of this section it shall issue such summary mandatory order.

(4) KRS 117.812 shall apply to the Board of Registration Commissioners in a city of the first class with respect to the notification of registered voters residing within the city.

SB 173, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 89.460 of the Kentucky Revised Statutes is amended to read as follows:

(1) At all elections held under the city manager form of government the ballots shall be on a different sheet from all other ballots to be used in the election and shall be in the form therein prescribed, except the words "City Ballot" shall be at the head thereof. Any public questions submitted by the commission to the electorate shall be printed on the city ballot. The names of all candidates for each office shall be printed on the ballot in a single

column. *The order in which the names of the candidates for each office are to be printed on the ballot shall be determined by lot.* [The names of the candidates for each office shall be printed on the first fifty ballots in alphabetical order, and on each of the succeeding fifty ballots the names shall be printed in the same order except that the first name on the preceding fifty ballots shall be shifted to the last place on the next succeeding fifty ballots, and the last name so shifted from the first place on the preceding fifty ballots shall be succeeded by the second name. A like change or rotation shall be made throughout in the printed order of names for every fifty ballots].

(2) The sheriff of the county shall provide for each precinct in the city a separate box for the reception of ballots used in the election of the municipal officers. The election officers in each precinct shall issue the ballots provided for by this section in the same manner as other ballots are issued at the election, and observe as to these ballots such regulations for the issuing and deposit of ballots as may be prescribed for elections generally.

(3) At the opening of the polls each judge shall appoint an inspector and challenger, whose duty it shall be to act as such in the precinct in which he is appointed, and in so acting the inspector and challenger shall be governed by the provisions of the general election law with reference to inspectors and challengers.

(4) No election officer or other person within the election booth shall tell or indicate to a voter, by word of mouth or otherwise, the political affiliation of any candidate.

(5) The provisions of the general election laws as to the duties of the county clerk and other public officers in the matter of printing and distributing ballots, issuing them to the voters, receiving and depositing them in the ballot boxes, and counting and preserving them, and in all other particulars except as otherwise provided in this section, shall be applicable in all respects.

Section 2. Section 118.175 of the Kentucky Revised Statutes is amended to read as follows:

When any city so provides by ordinance, the ballots used at any election in which city officers are to be elected shall contain, in a single vertical column, the names of candidates for such city officers grouped according to the offices they seek, and such candidates shall be immediately arranged under and beneath the title of office such candidates seek. *The order in which the names of the candidates for each office are to be printed on the ballot shall be determined by lot.* [The names of the candidates for such office in each group shall be listed in rotating order, each candidate to have his name first in order on an equal number of ballots, as determined by the clerk of the county court from the ratio of the number of candidates to the total number of ballots to be printed.] Each group of candidates for each separate office for which such candidates are to be elected shall be separated from the preceding or succeeding groups by a horizontal line transversing the entire ballot and spaced so as to avoid confusion on the part of the voter.

Section 3. Section 160.230 of the Kentucky Revised Statutes is amended to read as follows:

The ballot shall be in the form prescribed for ballots by the general election law, except that no party emblem or distinguishing mark shall be placed upon the ballot, save the words "School Ballot" at the head thereof. *The order in which the names of the candidates are to be printed on the ballot shall be determined by lot.* [The name of all candidates for membership on the board of education shall be printed on the first fifty ballots in a single column in the order the petitions are filed. On each of the succeeding fifty ballots the names shall be printed in the same order, except that the last name on the preceding fifty ballots shall be shifted to the first place, and so on thereafter throughout, a like change being made in the printed order of names for every fifty ballots. The ballots shall be so bound that in the book of ballots for each voting precinct each candidate's name will appear first on approximately the same number of ballots as that of every other candidate.] As many additional lines shall be left blank as there are members to be elected from the district or division as the case may be.

The Joint Committee on State Government Operations made the following report pertaining to **SR 27**, which was offered by Senator Garnett, Chairman of the Committee.

Report of Joint Committee on State Government Operations

SR 27 seeks to determine whether or not Senator Tom Raney who occupies the seat from the 31st District is qualified to serve in the capacity of Senator, by reason of having been appointed a Deputy Sheriff.

The Resolution required the Committee to report to the Senate what legal action should be taken in this matter if the charges should be found to be true, on the 5th day of February, 1962.

This Resolution was not referred to the Committee until February 6 and therefore the Committee could not comply with the directive as to time.

The Committee desires to report to this Body that the Senate is the sole judge of the election and qualification of its members and a Joint Committee from House and Senate could not act on such qualification.

The Senate can discipline any member; it may exonerate the acts of any member, or it may censure any member, fine or expel any member. Any of these are legal actions, which may be taken by the Senate, in the case of the member from the 31st District.

The Committee further reports to the Senator that if it is the desire of the Senate; the Joint Committee on State Government Operations will be available to investigate and report on the facts in this matter.

Richard Garnett
Chairman

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

RESOLUTION directing the regularly selected and acting investigating committee to investigate the charge that the office of State Senator of the 31st District is vacant.

Whereas it is charged by the Senator of the 7th. District that the office of Senator of the 31st. District should be held vacant for the following reasons:

1. That the gentleman who occupies the Senator's seat for said 31st. District was elected Senator of said District in November, 1960; that said gentleman duly qualified and served in that capacity during the 1960 session of the Legislature; that on April 1, 1960, after the Legislature adjourned he was duly appointed deputy sheriff of Pike County and for said office he did qualify; that during the special session in 1960 the said gentleman served as Senator of the 31st. District and at the same time and during the same period the said gentleman drew a salary as deputy sheriff of Pike County.

2. That the two offices are incompatible as distinctly set out in Section 165 of the Constitution.

3. That upon accepting the appointment of deputy sheriff of Pike County on April 1, 1960, the said gentleman thereupon and simultaneously forfeited the office of State Senator of the 31st. District which he theretofore held. For authority reference is made to the case of *Middleton vs. Middleton,* 239 Ky. 759, 40 S. W. (2) 311.

4. That the charges herein can be easily verified by examining the records in the Pike County County Clerk's office and the office of the State Treasurer.

Therefore, be it resolved that

These alleged charges against the gentleman who now occupies the office of State Senator of the 31st. District be investigated by the duly selected and acting investigating committee forthwith and immediately and that they report their findings to this honorable body when the Senate re-convenes on Monday, February 5th., 1962, and that the committee is hereby directed to recommend to this honorable body the appropriate and legal action that should be taken relative to this matter if the charges should be found to be true.

Senator Logan moved for a debate, the report of the Committee to the contrary notwithstanding. Agreed.

Calendar

SB 152, HB 85, HB 79, HB 21, HB 57, HB 78, SB 72, SB 147, SB 119, HB 73, SB 88, SB 92, SB 24, SB 85 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 68 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Hehl moved the Previous Question on **SB 68**. Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 1—Johnson.

Senator Conley moved that the vote by which **SB 68** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 115 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 115.** Agreed.

On roll call, the vote was yeas 32—Bishop, Bonn, Brand, Buckman, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

Senator Ware moved that the vote by which **SB 115** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 56 taken from Orders of the Day. Senator Ware moved that consideration of said bill be deferred and that it retain its place in Orders of the Day. Agreed.

Senator Logan moved that the Rules be suspended for the purpose of introducing a resolution. Agreed.

Introduction of Resolution

SR 32, by Senator Logan: A RESOLUTION affecting the name of the distinguished Senator from Harlan, Kentucky.

Orders of the Day

SB 35, with Committee Amendments attached thereto, taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Overbey moved the adoption of the Committee Amendments to **SB 35**. Agreed.

Senator Ware moved the Previous Question on **SB 35**, as amended. Agreed.

On roll call, the vote was yeas 14—Blue, Bonn, Conley, Duffy, Fuqua, Gardner, Garnett, Hehl, Logan, McCann, Martin, Miller, Overbey, Ware. Nays 17—Bishop, Brand, Buckman, Craft, Edwards, Garrett, Hickerson, Howard, Johnson, Kidwell, Kiser, McGinty, Mann, Nichols, Palmer, Raney, Swope. **SB 35** was defeated.

SB 73 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 73**. Agreed.

On roll call, the vote was yeas 23—Bishop, Bonn, Brand, Conley, Craft, Duffy, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Logan, McCann, McGinty, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware. Nays 0.

Senator Ware moved that the vote by which **SB 73** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 75 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 75**. Agreed.

On roll call, the vote was yeas 23—Bishop, Bonn, Conley, Duffy, Fuqua, Gardner, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Ware. Nays 2—Blue, Hickerson.

Senator Ware moved that the vote by which **SB 75** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 76 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 76**. Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Buckman, Conley, Craft, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware. Nays 2—Edwards, Swope.

Senator Ware moved that the vote by which **SB 76** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Bonn moved that the Rules be suspended for the purpose of introducing a bill. Agreed.

Introduction of Bill

SB 201, by Senator Bonn: AN ACT relating to insurance.

Orders of the Day

SB 77 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 77**. Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

Senator Ware moved that the vote by which **SB 77** was passed be reconsidered and that said motion be laid on the table. Agreed.

Committee Substitute to **SB 78** taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the adoption of Committee Substitute to **SB 78**. Agreed.

Senator Ware moved the Previous Question on **SB 78**, as substituted. Agreed.

On roll call, the vote was yeas 27—Bishop, Bonn, Buckman, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Logan, McCann, McGinty, Mann, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

Senator Ware moved that the vote by which Committee Substitute to **SB 78** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 91 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 91**. Agreed.

On roll call, the vote was yeas 25—Bishop, Bonn, Brand, Conley, Craft, Duffy, Edwards, Gardner, Garnett, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Palmer, Raney, Swope, Ware. Nays 1—Johnson.

Senator Ware moved that the vote by which **SB 91** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Kelly moved that the Rules be suspended for the purpose of introducing bills. Agreed.

Introduction of Bills

SB 202, by Senator Johnson: AN ACT relating to the General Assembly.

SB 203, by Senators Kelly and Howard: AN ACT changing the classification of the City of Flemingsburg, in Fleming County.

SB 204, by Senators Kelly and Howard: AN ACT relating to the Department of Welfare.

SB 205, by Senators Kelly and Howard: AN ACT relating to the Department of Child Welfare.

Orders of the Day

SB 122 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Logan moved the Previous Question on **SB 122**. Agreed.

On roll call, the vote was yeas 24—Bishop, Blue, Bonn, Brand, Conley, Craft, Duffy, Edwards, Fuqua, Garnett, Hehl, Kelly, Kidwell, Kiser, Logan, McCann, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware. Nays 2—Gardner, McGinty.

Senator Ware moved that the vote by which **SB 122** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 74 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 74**. Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Buckman, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hickerson, Howard, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Swope, Turner, Ware. Nays 0.

HB 65 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

The President Pro Tem, Senator Kidwell, vacated the Chair to speak on **HB 65.**

Senator Garnett presided.

President Pro Tem resumed the Chair.

Senator Garnett moved the Previous Question on **HB 65.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Turner, Ware. Nays 0.

Senator Ware moved that the vote by which **HB 65** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Kiser requested to be recorded as voting "Yea" on **HB 65.** Agreed.

Senator Kiser moved that the Rules be suspended for the purpose of introducing a resolution. Agreed.

Introduction of Resolution

SR 33, by Senator Kiser: A RESOLUTION denouncing any postal rate increase and requesting and petitioning the President of the United States and the Postmaster General of the United States to use their offices to insure that there is no increase in postal rates.

Senator Kiser moved the adoption of **SR 33.** Agreed.

SR 33, A RESOLUTION denouncing any postal rate increase and requesting and petitioning the President of the United States and the Postmaster General of the United States to use their offices to insure that there is no increase in postal rates.

WHEREAS, the postal rates have been recently increased; and

WHEREAS, a future increase would be a heavy burden upon the public; and

WHEREAS, it is necessary that citizens of this Commonwealth as well as all United States citizens send materials and letters by first class and airmail which rates are already expensive; and

WHEREAS, many citizens receive their daily newspapers and other publications such as books and magazines through the mails; and,

WHEREAS, an increase in postal rates would place a heavy and undue burden upon the citizens of this Commonwealth and upon all citizens of the United States,

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Senate of the General Assembly of the Commonwealth of Kentucky strongly denounces any increase in the postal rates.

Section 2. That the President of the United States and the Postmaster General of the United States be requested and petitioned to use their offices to insure that the postal rates are not increased at this time.

Section 3. That a copy of this resolution be mailed by the Clerk of the Senate to the Honorable John F. Kennedy, President of the United States, the Honorable J. Edward Day, Postmaster General of the United States, and to Kentucky's United States Senators, and Kentucky members of the United States House of Representatives.

Orders of the Day

HB 91 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garnett moved the Previous Question on **HB 91.** Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Brand, Conley, Craft, Duffy, Edwards, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kiser, Logan, McCann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

Senator Ware moved that the vote by which **HB 91** was passed be reconsidered and that said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 86, HB 166, HB 122, HB 241, HB 231, HB 233, HB 121, HB 230.**

Orders of the Day

HB 131 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 131.** Agreed.

On roll call, the vote was yeas 24—Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Ware. Nays 2—Martin, Overbey.

Senator Ware moved that the vote by which **HB 131** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 132 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 132.** Agreed.

With the unanimous consent of the Senate, Senator Ware withdrew his motion for the Previous Question on **HB 132.** Agreed.

Senator Ware moved that consideration of **HB 132** be deferred and that it retain its place in Orders of the Day. Agreed.

Reference of Bill

The Clerk announced that the following bill had been referred:

Ky. Statutes #1: **HB 175**

Senator Conley moved that the Senate adjourn until 10 a.m., Friday, February 9. Agreed.

FRIDAY, FEBRUARY 9, 1962

THIRTY-SECOND LEGISLATIVE DAY

The Senate was called to order by the President Pro Tem, Senator Alvin Kidwell.

Prayer by the Reverend Robert J. Laughlin, Pastor of the First Presbyterian Church of Frankfort.

The roll was called. All present except Senators Derickson, Duncan, Howard, Kinkead, Overbey and White, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for February 8 dispensed with and the same approved on motion of Senator McCann.

Introduction of Bills and Resolutions

SB 206, by Senator Bishop: AN ACT relating to voting.

SR 34, by Senator Ware: A RESOLUTION adjourning in memory of Joseph H. Dressman.

Motions, Petitions and Communications

Senator Ware moved the adoption of **SR 34**. Agreed.

SR 34, A RESOLUTION adjourning in memory of Joseph H. Dressman.

WHEREAS, this body has been apprised of the death, out of his time, of Joseph H. Dressman; and

WHEREAS, Joe Dressman distinguished himself and his family in his profession as editor of the Cincinnati *Enquirer* and the old Cincinnati *Times-Star* and as a reporter, an assignment he cherished; and

WHEREAS, Joe Dressman's sense of civic responsibility is respected in his service as city manager of Covington and his widespread activity in the Kentucky Municipal League and sound advice to state officials on local government matters;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That when this body adjourns on Friday, February 9, it does so in memory of Joseph H. Dressman; recognizing that his death is a loss to the North Kentucky community and to the entire Commonwealth, for Joe Dressman stood as his own man, a man of kindness and integrity.

Report of Committee

Committee on Ky. Statutes #1 reported **HB 175** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 175, AN ACT relating to cities of the Fourth class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 86.010 of the Kentucky Revised Statutes is amended to read as follows:

Each city of the fourth class shall constitute a corporation with the following powers:

(a) To sue and be sued;

(b) To contract and be contracted with;

(c) To acquire and hold property for municipal purposes;

(d) To have a common seal and change it at pleasure;

(e) To receive property of every kind and character for municipal, educational, charitable, or recreational purposes, and to control and distribute same for the purposes of the gift.

Section 2. Whereas, many of the cities of the fourth class within the Commonwealth of Kentucky are at this time in need of funds for the purposes hereinabove set forth, and gifts and bequests have been and will be made to them for said purposes in the event they are qualified to receive same, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

Calendar

HB 102, SB 164, SB 165, SB 166, SB 167, SB 168, SB 169, SB 170, SB 171, SB 172, SB 173 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 56 taken from Orders of the Day. Senator Ware moved that consideration of **SB 56** be deferred and that it retain its place in Orders of the Day. Agreed.

SB 128 taken from Orders of the Day, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 128.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware. Nays 0.

Senator Ware moved that the vote by which **SB 128** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 129 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that **SB 129** be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 129.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, Logan, McGinty, Mann, Martin, Miller, Palmer, Raney, Swope, Turner, Ware. Nays 0.

Senator Ware moved that the vote by which **SB 129** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Nichols requested that he be recorded as voting "Yea" on **SB 129.** Agreed.

Senator McCann requested that he be recorded as voting "Yea" on **SB 129.** Agreed.

SB 131 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 131.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Turner, Ware. Nays 0.

Senator Ware moved that the vote by which **SB 131** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 57 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller moved the Previous Question on **HB 57.** Agreed.

On roll call, the vote was yeas 27—Bishop, Bonn, Brand, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garrett, Hickerson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware. Nays 0.

Senator Miller moved that the vote by which **HB 57** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Conley moved to amend the title to **HB 57** and that it be known as the "Johnson and Miller Bill." Agreed.

SB 132 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 132.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware. Nays 0.

Senator Ware moved that the vote by which **SB 132** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 133 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 133.** Agreed.

On roll call, the vote was yeas 28—Bishop, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware. Nays 0.

SB 134 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 134.** Agreed.

On roll call, the vote was yeas 23—Bishop, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Hehl, Hickerson, Kelly, Kidwell, Kiser, Logan, McCann, Nichols, Palmer, Raney, Swope, Turner, Ware. Nays 2—McGinty, Miller.

Senator Ware moved that the vote by which **SB 134** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Mann requested that he be recorded as voting "Yea" on SB 134. Agreed.

SB 146 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garnett offered Amendment #1 to **SB 146** and moved its adoption. Agreed.

Said Amendment #1 to **SB 146** is as follows:

Amend printed copy of Senate Bill 146 on page 13, line 6, by: inserting after the period "The Secretary of State may collect a fee of $3.00 for each filing in his office under this Section."

On page 32, line 2, by deleting "2.00" and inserting "2.50".

Senator Garnett moved the Previous Question on **SB 146,** as amended. Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware. Nays 0.

Senator Ware moved that the vote by which **SB 146**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SR 26 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that **SR 26** be read by title only. Agreed by a majority of members elected.

Senator Kiser moved the Previous Question on **SR 26.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Buckman, Conley, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware. Nays 0.

Senator Kiser moved that the vote by which **SR 26** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 96 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB 96.** Agreed.

On roll call, the vote was yeas 29—Bishop, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware. Nays 0.

Senator Garrett moved that the vote by which **SB 96** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 47 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 47**. Agreed.

On roll call, the vote was yeas 26—Bishop, Bonn, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, McCann, McGinty, Mann, Martin, Miller, Palmer, Raney, Swope, Ware. Nays 0.

Senator Ware moved that the vote by which **SB 47** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Nichols requested that he be recorded as voting "Yea" on **SB 47**. Agreed.

SB 84 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 84**. Agreed.

On roll call, the vote was yeas 23—Bishop, Bonn, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, McCann, Nichols, Palmer, Raney, Swope, Ware. Nays 0.

Senator Duffy moved that the vote by which **SB 84** was passed be reconsidered and that said motion be laid on the table. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 65, HB 125, HB 131, HB 91, HB 108** had been examined and found correctly enrolled. **HB 65, HB 125, HB 131, HB 91, HB 108** read at length, compared, and signed in open session by the President Pro Tem. **HB 65, HB 125, HB 131, HB 91, HB 108** ordered delivered to the House.

Orders of the Day

SB 86 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator McCann, seconded by Senator Buckman, moved that **SB 86** be tabled.

Senator Ware moved that the Senate recess for three minutes. Agreed.

Recess

At the appointed hour, the President Pro Tem resumed the Chair.

The President ordered a roll call on Senator McCann's motion to table **SB 86**.

On roll call, the vote was yeas 5—Buckman, Kiser, McCann, Mann, Martin. Nays 20—Bishop, Bonn, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hickerson, Johnson, Kidwell, Logan, McGinty, Miller, Nichols, Palmer, Raney, Swope, Ware.

Senator Duffy moved that consideration of **SB 86** be deferred and that it retain its place in Orders of the Day. Agreed.

Senator Ware moved that the Rules be suspended for the purpose of introducing bills. Agreed.

Introduction of Bills

SB 207, by Senators Johnson and Swope: AN ACT relating to business development corporations.

SB 208, by Senators Johnson, Mann and Swope: AN ACT relating to education.

SB 209, by Senators Johnson and Swope: AN ACT relating to State personnel.

SB 210, by Senators Johnson, Mann, Fuqua and Swope: AN ACT relating to highways.

Orders of the Day

SB 72 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 72.** Agreed.

On roll call, the vote was yeas 25—Bishop, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Johnson, Kelly, Kidwell, Kiser, McCann, McGinty, Miller, Nichols, Palmer, Raney, Swope, Ware. Nays 0.

Senator Ware moved that the vote by which **SB 72** was passed be reconsidered and that said motion be laid on the table. Agreed.

The President resumed the Chair.

Recess

Senator Ware moved that the Senate recess for forty minutes. Agreed.

At the appointed hour the President resumed the Chair.

Senator Ware moved that the Senate meet in a Joint Session with the House in the Senate Chamber. Agreed.

Joint Session

The President vacated the Chair. Speaker of the House, Harry King Lowman, presiding.

Representative Fitzpatrick moved that the Senate and the House go into a Joint Session in the Senate Chamber. Agreed.

House Speaker Lowman vacated the Chair, the President of the Senate Presiding.

Senator Ware moved to dispense with the roll call. Agreed.

The President introduced the Honorable Bert Combs, Governor of the Commonwealth of Kentucky.

Governor Combs introduced the Attorney General John Breckinridge, who in turn introduced to the Joint Session Dr. Glenn T. Seaborg, Chairman of Atomic Energy Commission, Washington, D. C., who addressed the Joint Session.

Senator Ware moved that the Joint Session be dissolved. Agreed.

Senator Ware moved that the Senate adjourn until 8 p.m., Tuesday, February 13. Agreed.

TUESDAY, FEBRUARY 13, 1962

THIRTY-FOURTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James Shepherd, Pastor of the First Methodist Church of Frankfort.

The roll was called. All present except Senator Derickson, who was granted leave of absence on motion of Senator McCann.

Senator McCann moved that the Journal of February 9th be read in its entirety. Motion lost on a voice vote.

Reading of Journal of February 9 dispensed with and the same approved on motion of Senator Ware.

Senator Johnson moved that the Senate stand for one minute in silent prayer for Senator Derickson, who is ill in the Good Shepherd Hospital in Lexington. Agreed.

Motions, Petitions and Communications

SR 35, by Senator Buckman: A RESOLUTION recognizing Senator Tom Raney as the legally qualified State Senator of the Thirty-First Senatorial District of Kentucky and expressing full confidence in his authority to perform the duties of that office.

WHEREAS, the right of Tom Raney to hold the office of Senator of the 31st District has been questioned on the ground that on April 1, 1960, he accepted an office as Deputy Sheriff of Pike County and that the holding of said office constituted incompatibility under Section 165 of the Constitution; and

WHEREAS, the purported incompatibility was called to the Senate's attention in Senate Resolution 27 in the current session of the General Assembly; and

WHEREAS, said resolution was referred to the Senate's Joint Committee on State Government Operations on February 5; and

WHEREAS, the Committee returned the resolution to the Senate without action; and

WHEREAS, Section 38 of the Kentucky Constitution provides as follows, "Each House of the General Assembly shall judge of the qualifications, elections and returns of its members."

NOW, THEREFORE:

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That it recognizes Senator Tom Raney as the legally qualified State Senator of the 31st Senatorial District of Kentucky during the 1962 session of the General Assembly, and further

That the Senate hereby expresses its full confidence in the authority and ability of Senator Raney to perform the duties of Senator in full compliance with the Constitution and Statutes of the Commonwealth of Kentucky.

Senator Buckman moved the Previous Question on **SR 35.** Agreed.

Senator Buckman's request for a roll call on **SR 35** was seconded by Senator Nichols. Agreed.

On roll call, the vote was yeas 25–Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Hickerson, Johnson, Kidwell, Kinkead, Kiser, McCann, Mann, Miller, Nichols, Palmer, Turner, Ware, White. Nays 6–Conley, Edwards, Gardner, Logan, McGinty, Overbey.

Senator Overbey moved the Senate to adjourn, which motion was seconded by Senator Martin. Motion lost on a voice vote.

House Message

Announcing passage of **HR 43, HB 117.**

Introduction of Bills

SB 211, by Senators Garnett, Conley, Miller and Ware: AN ACT relating to the Kentucky Historical Society.

SB 212, by Senator Garnett: AN ACT relating to sidewalks in cities of all classes.

SB 213, by Senator Garnett: AN ACT relating to the ownership of securities by minors and making uniform the law with reference thereto.

SB 214, by Senator Garnett: AN ACT relating to the Uniform Reciprocal Enforcement of Support Act.

SB 215, by Senator Garnett: AN ACT amending the Uniform Principal and Income Act by adding thereto sections concerning probate income.

SB 216, by Senator Ware: AN ACT relating to time credits on sentence, forfeiture of good time and conditional release.

SB 217, by Senator Ware: AN ACT relating to the enforcement of laws governing the operation of boats, and providing a penalty.

SB 218, by Senator Ware: AN ACT relating to the disposition of unclaimed property.

SB 219, by Senator Ware: AN ACT relating to public works.

SB 220, by Senator Mann: AN ACT relating to medical assistance.

SB 221, by Senator Mann: AN ACT relating to personal property insurance.

SB 222, by Senators Miller and McGinty: AN ACT relating to license fees.

SB 223, by Senator Swope: AN ACT relating to the immunization of children against diptheria, smallpox, pertussis, tetanus, and poliomyelitis.

SB 224, by Senators Kinkead, Gardner, Conley, Garrett and Hehl: AN ACT relating to planning and zoning.

Report of Committees

Committee on Banks and Banking reported **SB 117** with the expression of opinion that the same should pass by way of Committee Substitute. Committee Substitute to **SB 117** read at length for the first time and ordered placed in the Calendar.

SB 117, AN ACT relating to industrial loan companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Commissioner" means the Commissioner of Banking;

(2) "Certificate holder" means an industrial loan corporation organized under the provisions of this Act to which a certificate, as defined in subsection (3) of this section, has been issued by the Commissioner of Banking;

(3) "Certificate" means a written instrument issued by the Commissioner of Banking authorizing the corporation therein named to do business under the provisions of this Act, except when used in the phrase "certificate of investment."

Section 2. (1) Any five or more persons may organize an industrial loan corporation in any city upon the terms and conditions and subject to the liabilities prescribed in this Act.

(2) No person shall engage in the industrial loan business in this state other than in the corporate form as provided in this Act.

(3) The name of the corporation shall not contain the words "bank" or "trust" or the phrase "loan association," nor shall these words be used in any printed or advertising matter to refer to the corporation. Such corporation need not use the word "incorporated" in addition to its corporate name, either in its place of business or on any printed matter or advertising matter. No certificate of incorporation of an applicant having the same name as a corporation authorized to do business under the laws of this state or a name so nearly resembling it as to be calculated to deceive shall be approved by the

commissioner, except to a corporation formed by re-incorporation, reorganization, merger or consolidation of other corporations, or upon the sale of the property or license of a corporation.

(4) The capital stock of any such industrial loan corporation shall not be less than one hundred thousand dollars if located in counties containing a city of the first or second class, or not less than fifty thousand dollars if located in any other county. The amount of the capital stock shall be paid in full, and in money, before the corporation may transact any business other than that relating to its formation and organization.

(5) At the time an industrial loan corporation applies for a certificate it shall file with the commissioner a statement verified by its president and secretary showing its assets and liabilities, and the address at which it proposes to operate its business. A separate certificate shall be required for each place of business.

(6) Each industrial loan corporation at the time of making application shall pay fifty dollars to the commissioner as a fee for investigating the application, and the additional sum of two hundred and fifty dollars as an annual fee for the privilege of doing business for the period terminating on the succeeding January 15. If the application is filed after June 30 in any year, the payments shall be one hundred and twenty-five dollars as a fee for the privilege of doing business in addition to the fee for investigation. The annual fee shall be paid for each place of business. In addition to the annual fee for the privilege of doing business, every corporation organized under the provisions of this Act shall pay a fee for examinations by the Department of Banking, which fee shall be computed by the Department of Banking on the basis of fair compensation for time and actual expenses.

Section 3. (1) Before delivering the articles of incorporation to the Secretary of State for recording, a copy of the articles shall be presented to the commissioner for approval. Upon receipt of such articles, the commissioner shall first determine whether or not the articles comply with the provisions of this Act, and, if he so finds, he shall promptly notify the industrial loan companies in the locality in which the proposed office or offices are to be located, specifying a time within which they may file objections. The commissioner shall then inquire into the advisability of approving the application by investigating:

(a) The moral character and financial responsibility of the incorporators and principals of the applicant;

(b) The public necessity for such association in the community to be served; and

(c) The reasonable probability of its usefulness and success. In so doing he shall determine whether or not the industrial loan company can be established without undue injury to properly conducted existing industrial loan companies, in connection with which the incorporators and principals shall furnish such information as they may desire and as the commissioner may require.

(2) After allowing the specified time for the filing of objections, the commissioner shall approve the application if he finds that the moral character and financial responsibility of the incorporators and principals are sound and such as to justify public confidence and to insure the reasonable probability of the success of the corporation, that the incorporators and principals have complied with the provisions of this Act, that the incorporation is advisable and, after investigation, there is reason to believe that no undue injury to properly conducted existing industrial loan companies will result. Unless the application, after investigation, meets all of the above requirements, the commissioner shall disapprove it.

Section 4. (1) The commissioner shall upon approval issue a certificate of approval in triplicate, one copy of which shall be delivered to the applicant and one copy to the Secretary of State, which shall constitute the authority of the Secretary of State to file and record the articles as provided in the General Corporation Law.

(2) Upon the receipt of payment of fees and filing of the articles of incorporation by the Secretary of State, the commissioner shall issue a certificate or certificates authorizing the corporation to operate an industrial loan business in this state at the places specified, such certificates to be in such form as the commissioner prescribes.

(3) The commissioner shall mail one copy of the certificate to each office of the corporation and shall retain one copy, which shall be filed in the office of the commissioner.

(4) If the commissioner does not approve the application, he shall notify the applicant of the denial and return the sum paid by the applicant as a fee for the privilege of doing business, retaining the fifty-dollar investigation fee.

(5) The commissioner shall approve or deny every such application within sixty days after the filing thereof with the fees paid, unless the time is extended by the commissioner for good cause.

(6) All findings of the commissioner, together with a summary of the evidence supporting them, shall be filed in the office of the commissioner as public records.

(7) The certificate or certificates issued to the corporation shall expire on the succeeding January 15, and shall be renewed only on compliance with the provisions of this Act.

(8) Whenever the commissioner denies any application for certificate under the provisions of this Act, he shall forthwith file in his

office a written order to that effect, stating his findings with respect thereto and the reasons for his action. The commissioner shall also forthwith serve upon the applicant for a certificate a copy of the order. The applicant may appeal to the Circuit Court of Franklin County within thirty days after service of a copy of the order.

(9) The corporation shall not conduct any industrial loan business until it receives a certificate from the commissioner stating that it has fully complied with all the provisions of this Act, and that the requisite capital is in good faith subscribed and paid in cash.

Section 5. An industrial loan company organized under this Act may:

(1) Lend money and receive interest therefor at a rate of six dollars per one hundred dollars per annum of the principal amount of a loan not exceeding two thousand dollars, and require and receive uniform weekly or monthly installment payments. The amount of interest computed as in this Act provided may be charged or received in advance or may be added to the principal amount of the loan. Such loans shall be repayable in substantially equal installments over a period not exceeding three years and thirty-two days.

(2) Sell or negotiate bonds, notes, and certificates of investment for the payment of money at any time, either fixed or uncertain, and receive payments therefor in installments or otherwise, provided that nothing herein contained shall be construed to create any liability on demand. No corporation making loans under this section or Section 6 of this Act shall directly or indirectly advertise for or accept deposits, demand or otherwise, except an industrial loan company organized under this Act may advertise the sale of certificates of investment as authorized under this Act.

(3) Charge for a loan made pursuant to this section one dollar for each fifty dollars or fraction thereof loaned for expenses, including any examination or investigation of the character and circumstances of the borrower, co-maker or surety, and the drawing and taking acknowledgment of necessary papers or other expenses incurred in making the loan. Such charge shall be permitted only on the first two thousand dollars loaned. No charge shall be collected unless a loan has been made as a result of such examination or investigation.

Section 6. (1) No corporation organized under the provisions of this Act shall hold at any one time the obligation or obligations of any person for more than two thousand dollars under the provisions of Section 5 of this Act. In addition any such corporation may make loans in excess of two thousand dollars but not to exceed five thousand dollars, to charge or to receive interest therefor and as to the amount of any such loan in excess of two thousand dollars, such loans shall be repayable in substantially equal installments over a period of not exceeding three years and thirty-two days, which charge shall be at a rate not exceeding five dollars per one hundred dollars per annum. The amount of interest computed as in this Act provided may be added to the principal amount of the loan, or received in advance.

(2) In addition to the charge permitted by this Act, no further amount shall be directly or indirectly charged, contracted for or received on any such installment loan, except lawful fees actually paid to a public official for filing, recording or releasing any instrument securing the loan, and delinquency charges as set out in subsection (3) of this section.

(3) Delinquency charges may be made not to exceed five cents for each dollar of each installment more than ten days in arrears, and only one delinquency charge shall be made on any one installment. No delinquency charge shall exceed five dollars on any one installment. In addition to such delinquency charge attorneys fees not exceeding fifteen per cent of the unpaid balance and court costs may be collected provided that the note is referred to an attorney not a salaried employe of the holder for collection.

(4) The corporation shall permit the borrower to repay his loan in whole or in part at any time. If a loan is paid in full prior to maturity, the lending institution shall make a rebate at a rate not less than six per cent per annum of amounts so paid in advance of the due date, if the maximum financing charge permitted under this Act has been taken. If a lesser charge has been taken, the rebate shall be at not less than a proportional rate.

(5) In the case of loans made under this section the corporation shall not take any assignment, pledge, or transfer of wages to be earned or paid in the future, nor any first lien or first mortgage on real estate as security, except such lien as is created by virtue of a judgment or decree. Nothing in this section is intended to prevent leading institutions from making loans with second or other junior mortgages on real estates as security, which loans are hereby authorized.

(6) No corporation shall split up or divide a loan, or permit any person to be obligated to it under more than one contract of loan at the same time for the purpose of obtaining a greater charge than would otherwise be permitted under this section.

(7) Every note made under this section and under Section 5 of this Act shall contain the following information and provisions: The principal amount of the loan excluding any charge made under this section or Section 5 of this Act; a statement of the total charge for the loan made under this section and under Section 5 of this Act; the amount and date of each installment; the date of final maturity; an agreement that the borrower may prepay the loan in whole or in part

at any time, and if the loan is paid in full before maturity, the borrower will receive a refund of the unearned portion of the charge, as required by this section. At the time the loan is made, the lending institution shall give the borrower either a copy of the note, or a statement of the transaction containing the provisions and information required to be contained in the note. The lending institution shall deliver a receipt for each payment; however, a cancelled check or a money order shall constitute a receipt.

(8) In advertising for loans subject to this section or subject to Section 5 of this Act, every advertisement shall conform to the following minimum requirement: Any statement of the amount of the loan shall be the original principal amount showing in detail the net proceeds to the borrower and any charge made under this Act.

(9) This Act shall not prevent a corporation organized under the provisions of this Act from purchasing or acquiring directly or indirectly, notes, chattel mortgages, installment or conditional sales contracts, embodying liens or evidencing title retention arising from the bona fide sales of goods or services by a seller of such goods or services.

Section 7. (1) KRS 287.215, 288.420, 288.620 and 360.010 do not apply to loans made under authority of Sections 5 or 6 of this Act but KRS 287.215, 288.420, 288.620 and 360.010 remain in full force and effect for all other purposes and nothing in this section or in Section 6 of this Act shall be construed to impair the validity or effect of KRS 287.215, 288.420, 288.620 and 360.010 with respect to loans other than those made pursuant to Sections 5 or 6 of this Act.

(2) Any contract of loan in the making or collection of which any act has been done which constitutes a willful violation of any provision of Sections 5 or 6 of this Act, is void, and the corporation has no right to collect or receive any interest or charges whatsoever on such loan, but the unpaid principal of the loan shall be paid in full to the lending institution.

(3) Those industrial loan corporations operating under this Act that issue certificates of investment shall establish as a reserve against such certificates of investment an amount which shall not be less than five per cent (5%) of the amount of such certificates of investment outstanding. In addition the Commissioner shall have authority to require a blanket surety bond with an approved corporate surety which shall include fidelity coverage in an amount deemed adequate by the Commissioner to protect holders of certificates of investment.

(4) No corporation organized under this Act shall deposit any of its funds with any bank or trust company unless such bank or trust company has been designated as such depository by a vote of the majority of the directors of the executive committee exclusive of any director who is an officer, director or trustee of the depository so

designated. A corporation operating under this Act may invest in the bonds of any federal instrumentality or bonds issued by the Commonwealth of Kentucky or any governmental subdivision thereof.

(5) No corporation organized under this Act, nor any foreign industrial loan corporation nor any other person shall conduct its business in the same office in which there is conducted a petty loan business under KRS Chapter 288, by a corporation, person, partnership or individual affiliated with or owned by the same corporation conducting the business authorized in this Act.

Section 8. (1) Every corporation organized under the provisions of this Act shall report to and be subject to examination, supervision and control by the Department of Banking.

(2) Provisions of this Act shall be enforced by the Commissioner, who may, after notice to holders of certificates and a hearing, promulgate regulations, referenced to the section or sections which set forth the legislative standards they interpret or apply, for the proper conduct of the business authorized under this Act.

Section 9. No corporation organized under the provisions of this Act, nor any foreign corporation, nor any other person not authorized by other specific statutory provisions, shall engage in the business of making loans at a rate of interest in excess of the legal rate of interest prescribed in KRS 360.010 unless there is on file in the office of the commissioner a certificate issued by the commissioner authorizing the transaction of an industrial loan business under the provision of this Act.

Section 10. (1) The commissioner, for good cause, after a hearing upon reasonable notice with an opportunity to be heard, may revoke and remove from his file, or suspend for thirty days, any certificate issued under this Act if he finds that:

(a) The holder of the certificate has failed to pay his annual fee for the privilege of doing business;

(b) The certificate holder has violated any provision of this Act or has failed to comply with any rule or regulation lawfully made pursuant thereto;

(c) Any fact or condition then exists which clearly would have warranted the commissioner in refusing to issue a certificate on an original application; or

(d) The certificate holder has failed to open an office for business within one hundred and twenty days from the date the certificate is granted, or has failed to remain open for business for a period of one hundred and twenty days, unless in each case good cause be shown,

(2) Before the revocation or suspension of a certificate under subsection (1) of this section, the certificate holder shall be given fifteen days written notice of the contemplated revocation or suspension of his certificate, the grounds therefor stated specifically, and opportunity for a hearing within thirty days of receipt by the certificate holder of the notice of the contemplated revocation.

(3) The commissioner may reinstate suspended certificates or issue new certificates to a certificate holder whose certificate has been revoked if no fact or condition then exists which clearly would have warranted him in refusing originally to issue such certificate under this Act.

(4) Any certificate holder may surrender any certificate by delivering it to the commissioner together with written notice that he thereby surrenders such certificate.

Section 11. (1) The commissioner or his authorized agent shall conduct the hearing required by Section 10 of this Act.

(2) The commissioner may issue subpoenas to compel the attendance of witnesses and the production of documents, and may administer oaths, take testimony, hear proof and receive exhibits in evidence. In case of disobedience to a subpoena, the commissioner may invoke the aid of the Franklin Circuit Court.

(3) At any hearing the accused may appear in person or by counsel, produce evidence and witnesses on his own behalf, cross-examine witnesses and examine such evidence and documents as may be produced against him. The accused is entitled, on application to the commissioner, to the issuance of subpoenas to compel the attendance of witnesses on his behalf. The commissioner may also be represented by counsel.

(4) A stenographic record of the proceedings shall be kept, but it is not necessary to transcribe shorthand notes unless an appeal is taken from the order.

(5) The order of the commissioner shall be in writing and shall be accompanied by findings of fact and conclusions of law.

(6) A copy of an order suspending or revoking a certificate shall be served upon the certificate holder by registered mail immediately upon entry by the commissioner.

Section 12. (1) Any person whose certificate is revoked or suspended may appeal from the order of revocation or suspension by filing in the Franklin Circuit Court a notice of appeal and a copy of the order of the commissioner within thirty days of the date of entry of the order. He shall execute bond for costs. The petition for appeal shall set forth with particularity the grounds upon which the appeal is taken. The certificate holder shall cause a copy of the notice of appeal to be served upon the commissioner.

(2) Within thirty days after service of notice of appeal, or within such further time as the court may allow, the commissioner shall file in the Franklin Circuit Court the original or a certified copy of the entire record of the proceeding under review; but, by stipulation of the parties, the record may be shortened.

(3) The filing of the notice of appeal does not stay enforcement of the order; but upon motion of the appellant the Franklin Circuit Court, in its discretion, may order a stay pending decision of the appeal. In the event there is an appeal from the Franklin Circuit Court to the Court of Appeals, the circuit court may order a stay pending decision of the appeal. A bond may be required by the court if in its judgment the public interest may so demand. If the time for renewal of the certificate occurs during a stay of enforcement, the commissioner shall grant a renewal upon application properly made and payment of the usual fees.

(4) The Franklin Circuit Court shall set the case for hearing without a jury and dispose of the appeal in a summary manner, being confined to the record made before the commissioner except that new evidence may be introduced as to fraud. The court may hear oral arguments and receive written briefs. The court may affirm or set aside the order of the commissioner, or may remand the case to the commissioner for further evidence.

(5) Any aggrieved party may secure a review of an adverse judgment of the Franklin Circuit Court under this Act by appeal to the Court of Appeals. Such appeal shall be taken in the manner provided in the Rules of Civil Procedure.

Section 13. No foreign corporation may conduct an industrial loan business in this state without applying for and receiving a certificate from the commissioner authorizing such business in this state. The issuance or denial of such certificate or certificates shall be governed by reasonable rules and regulations of the department designed to assure that no foreign corporation shall be permitted to transact an industrial loan business in this state upon more favorable terms and conditions than would be permitted a domestic corporation.

Section 14. The privilege of the corporation to advertise to the public that it is under the supervision of the Department of Banking may be denied by the commissioner at any time he has reason to believe there is a violation of any of the provisions of this Act or any rule or regulations promulgated thereunder.

Section 15. Any corporation or person which willfully violates any provision of this Act is guilty of a misdemeanor and, upon conviction, shall be fined not less than one hundred dollars nor more than one thousand dollars.

Section 16. Any corporation which on the effective date of this Act was authorized under the authority of Chapter 291 of the Kentucky Revised Statutes to engage in the industrial loan business, shall retain such right, and a renewal charter shall automatically issue to such charter holder upon application or request and upon payment of the fees herein provided.

Section 17. Sections 291.120, 291.130, 291.140, 291.150 and 291.160 of the Kentucky Revised Statutes are repealed.

Committee on Banks and Banking reported **SB 100** with the expression of opinion that the same should pass, with Committee Amendments attached thereto.

Committee Amendment #1 to **SB 100** is as follows:

Amend printed copy of Senate Bill 100, on page 3, lines 7, 8, 9, 10, and 11, by deleting the following sentence:

> "In the case of loans made under this section the lending institution shall not take any assignment, pledge or transfer of wages to be earned or paid in the future, (nor any lien upon real estate as security,) except such lien as is created by virtue of a judgment or decree."

and insert in lieu thereof the following:

> "In the case of loans made under this section the corporation shall not take any assignment, pledge, or transfer of wages to be earned or paid in the future, nor any first lien or first mortgage on real estate as security, except such lien as is created by virtue of a judgment or decree."

Committee Amendment #2 to **SB 100** is as follows:

Amend printed copy of Senate Bill 100, paragraph 9 on page 4, by: deleting all of said paragraph and inserting in lieu thereof the following:

"(9) KRS 288.420, KRS 288.620 and KRS 360.010 shall not apply to loans made under authority of this section but said section shall remain in full force and effect for all other purposes. Nothing in this section shall be construed to impair the validity or effect of said sections with respect to loans other than those made pursuant to this section nor shall anything in this section be construed to impair the validity or effect of KRS 360.025."

SB 100 read at length for the first time and ordered placed in the Calendar.

SB 100, AN ACT relating to banks and trust companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 287.215 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to the powers heretofore granted, any bank *or* [and] trust company or combined bank and trust company shall have the power to lend money; to charge or to receive in advance interest therefor; to contract for a charge for a secured or unsecured installment loan, [which in principal amount shall not exceed five thousand dollars,] and which under its terms shall be repayable in substantially equal installments over a period of not exceeding *five* [three] years and thirty-two days, which charge shall be at a rate not exceeding six dollars per one hundred dollars per annum upon the first two thousand dollars of the principal amount of the loan, and not exceeding five dollars per one hundred dollars per annum upon the excess of the principal amount of the loan over two thousand dollars, which charge or charges shall be for the entire period of the loan and may be collected in advance.

(2) In addition to the charge permitted by this section, no further amount shall be directly or indirectly charged, contracted for, or received on any such installment loan, except lawful fees actually paid to a public officer for filing, recording, or releasing any instrument securing the loan and *delinquent* [delinquency] charges as hereinafter set out, *and except an investigation fee not exceeding one dollar for each fifty dollars or fraction thereof upon the first eight hundred dollars of the principal amount of such loans.*

(3) Delinquency charges may be made not to exceed five cents for each dollar of each installment more than *ten* [fifteen] days in arrears, and only one delinquency charge shall be made on any one installment. No delinquency charge shall exceed five dollars on any one installment. *In addition to such delinquency charges, attorney's fees not exceeding fifteen percent of the unpaid balance and court costs may be collected, provided that the note is referred to an attorney not a salaried employe of the holder for collection.*

(4) The lending institution shall permit the borrower to repay his loan in whole or in part at any time. If a loan is paid in full prior to maturity, the lending institution shall make a rebate at a rate not less than six percent per annum of *the* amount[s] paid in advance of the due date, if the maximum financing charge permitted hereunder has been taken. If a lesser charge has been taken, the rebate shall be at not less than a proportional rate. *Provided, however, the lending institution shall be permitted in computing rebates to retain a minimum charge of ten dollars to cover its acquisition costs and where*

the amount of credit for anticipation of payment is less than one dollar, no rebate need be made.

(5) In the case of loans made under this section the lending institution shall not take any assignment, pledge or transfer of wages to be earned or paid in the future, [nor any lien upon real estate as security,] except such lien as is created by virtue of a judgment or decree. [Provided, however, that] Nothing in this section is intended to prevent lending institutions from making loans under the provisions of the National Housing Act *or any other federal legislation,* which loans are hereby authorized.

(6) No lending institution under this section shall split up or divide a loan or permit any person to become obligated to it under more than one contract of loan at the same time for the purpose of obtaining a greater charge than would otherwise be permitted by this section.

(7) Every note evidencing a loan made under this section shall contain the following information and provisions: The original principal amount of the loan excluding any charge made under this section; a statement of the total charge for a loan; the amount and the date of each installment; the date of final maturity; an agreement that the borrower may [p]repay the loan in whole or in part at any time, and that if the loan is paid in full before final maturity, the borrower will receive a refund of the unearned portion of the charge as required by this section. At the time the loan is made, the lending institution shall give the borrower either a copy of the note, or a statement of the transaction containing the provisions and information required to be contained in the note. The lending institution shall deliver a receipt for each payment.

(8) In advertising for loans subject to this section, every advertisement shall conform to the following requirement: Any statement of the amount of the loan shall be the original principal amount showing in detail any charge made under this section.

(9) KRS 288.160 and 360.010 shall not apply to loans made under authority of this section, but said sections shall remain in full force and effect for all other purposes, and nothing in this section shall be construed to impair the validity or effect of said sections with respect to loans other than those made pursuant to this section.

(10) Any contract of loan in the making or collection of which any act shall have been done which constitutes a willful violation of any provision of this section shall be void, and the bank, trust company, combined bank and trust company shall have no right to collect or receive any interest or charges whatsoever on such loan, but the unpaid principal of the loan shall be paid in full to the lending institution.

Committee on Ky. Statutes #1 reported **SB 145** with the expression of opinion that the same should pass, with Committee Amendment attached thereto.

Said Committee Amendment to **SB 145** is as follows:

Amend printed copy of Senate Bill 145, on page 15, following line 24 by inserting the following:

"Section 15. The provisions of Chapter 350 of the Kentucky Revised Statutes shall not be applicable to the mining of ball clay."
and on line 25 by changing "Section 15" to read "Section 16".

SB 145 read at length for the first time and ordered placed in the Calendar.

SB 145, AN ACT relating to strip mining and reclamation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 350.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter unless the context otherwise requires:

(1) "Strip Mining" means all or any part of the process followed in the production of commercial coal, or clay from a natural coal, or clay deposit by the open pit or open cut method or auger method, but shall not include the casual removal of coal, or clay in building roads or other developments of the owner's property for purposes other than the production of coal, or clay by the open pit or open cut method or auger method;

(2) "Overburden" means all the earth and other materials which are removed to gain access to the commercial coal, or clay in the process of strip mining;

(3) "Area of land affected" means the area of land from which overburden is to be or has been removed and upon which the overburden is to be or has been deposited;

(4) "Operation" means all of the premises, facilities and equipment used in the process of producing coal, or clay from a designated strip mine area;

(5) "Operator" means any person, partnership or corporation engaged in strip mining *or prospecting to strip mine who disturbs more than one-fourth acre or* who removes or intends to remove more than *one hundred* [two hundred and fifty] tons of coal, or clay from the earth by strip mining within twelve successive calendar months;

(6) "Person" means persons, partnership or corporation;

(7) "Division" means the Division of Strip Mining and Reclamation;

(8) "Director" means the Director of the Division of Strip Mining and Reclamation of the Department of Conservation;

(9) "Commission" means the Strip Mining and Reclamation Commission;

(10) "Reclamation" means the reconditioning of the area of land affected by a strip mining operation under a plan approved by the *division.* [commission.]

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

The Strip Mining and Reclamation Commission shall have and exercise the following authority and powers:

(1) To adopt, after giving notice to all operations actively engaged in strip mining and affording them an opportunity to appear and offer evidence at a public hearing, general rules and regulations pertaining to strip mining to accomplish the purposes of this chapter;

(2) To adopt, without hearings, rules and regulations with respect to procedural aspects of commission hearings;

(3) To conduct hearings under regulations adopted by the commission and for the purpose of any investigation or hearing under this chapter, the commission or any member thereof may administer oaths or affirmations, subpoena witnesses, compel their attendance, take evidence and require production of any books, papers, correspondence, memoranda, agreements, or other documents or records which the Commission deems relevant or material to the inquiry;

(4) In case of refusal to obey a subpoena issued to any person, the Franklin Circuit Court, upon application by the Commission, may issue to that person an order requiring him to appear before the Commission, there to produce documentary evidence if so ordered or to give evidence touching the matter under investigation or in question; and any failure to obey the order of the court may be punished by the court as a contempt of court;

(5) To issue after hearing, orders requiring an operator to adopt such remedial measures as are necessary to comply with this chapter;

(6) Any person aggrieved by a final order of the commission may obtain a review of the order by filing in the Franklin Circuit Court, within sixty days after the entry of the order, a written petition praying that the order be modified or set aside in whole or in part. A copy of the petition shall be forthwith served upon the Commission, and there upon the Commission shall certify and file in court a copy of the record before the Commission, including therein all pleadings, orders, documentary exhibits, and the stenographic transcript of the testimony taken before

the Commission. When these have been filed, the court shall have exclusive jurisdiction to affirm, modify, enforce, or set aside the order, in whole or in part. No objection to the order may be considered by the court unless it was urged before the Commission or there were reasonable grounds for failure to do so. The findings of the Commission as to the facts, if supported by substantial evidence, are conclusive. If either party applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that the additional evidence is material and that there were reasonable grounds for failure to adduce the evidence in the hearings before the Commission, the court may order that additional evidence be taken before the Commission in such manner and upon such condition as the court may consider proper. The Commission may modify its findings as to the facts, by reason of the additional evidence so taken; and it shall file any modified or new findings with the court, which if supported by substantial evidence shall be conclusive, and any recommendation for the modification or setting aside of the original order. The commencement of the proceedings under this section does not, unless specifically ordered by the court, operate as a stay of the Commission's order. An appeal may be taken from the judgment of the Franklin Circuit Court to the Court of Appeals on the same terms and conditions as an appeal is taken in any civil action.

Section 3. Section 350.050 of the Kentucky Revised Statutes is amended to read as follows:

The Division of Strip Mining and Reclamation of the Department of Conservation, under the supervision of the Commissioner of Conservation, shall have and exercise the following authority and powers:

(1) To exercise general supervision and administration and enforcement of this chapter and all rules and regulations and orders promulgated thereunder;

(2) To encourage and conduct investigations, research, experiments and demonstrations, and to collect and disseminate information relating to Strip Mining and the reclamation of lands and waters affected by strip mining;

[(3) To adopt, after giving notice to all operators actively engaged in strip mining and affording them an opportunity to appear and offer evidence at a public hearing, general rules and regulations pertaining to strip mining to accomplish the purposes of this chapter;]

(3) [4] To adopt, without hearing, rules and regulations with respect to [procedural aspects of hearings,] the filing of reports, [and orders,] the issuance of permits and other matters of procedure and administration;

[(5) To issue, after hearing, orders requiring the adoption by an operator of such remedial measures as are found to be necessary for the reclamation of the area of land affected by his operation;]

(4) [6] To examine and pass upon all plans and specifications submitted by the operator for the reclamation of the area of land affected by his operation;

(5) [7] To make investigations or inspections which may be deemed necessary to insure compliance with any provision of this chapter; [and to examine or compel the production of any records or memoranda relating to a strip mining operation;]

[(8) To conduct hearings under regulations of the Division of Strip Mining and Reclamation that have been approved by the Commissioner of Conservation, and to compel the attendance of witnesses and examine them under oath at such hearings.]

(6) *To order, through personnel of the Division, the stopping of any operation that is started without first having secured a permit as required by this chapter.*

Section 4. Section 350.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) No operator shall engage in strip mining without having first obtained from the division a permit designating the area of land affected by the operation. The permit shall authorize the operator to engage in strip mining upon the area of land described in his application for a period of one year from the date of its issuance.

(2) An operator desiring a permit shall file an application which shall state:

(a) The location and area of land to be affected by the operation, with a description of access to the area from the nearest public highways;

(b) The owner or owners of the surface of the area of land to be affected by the permit;

(c) The owner or owners of the coal, or clay to be mined;

(d) The source of the applicant's legal right to enter and mine the coal, or clay on the land affected by the permit;

(e) The permanent and temporary post office address of the applicant;

(f) Whether the applicant *or any person, partnership or corporation associated with the applicant,* holds *or has held* any other permits under this chapter, and an identification of such permits.

(3) The application for a permit shall be accompanied by two copies of an accurate map of the area involved. The map shall:

(a) Be made by an engineer;

(b) Identify the area to correspond with the application;

(c) Not be part of a map made for some other purpose, but shall show adjacent deep mining and adjacent surface owners;

(d) Be made to a scale of not less than one hundred feet to the inch and not to exceed six hundred and sixty feet to the inch;

(e) Show the name of all creeks, roads, building, oil and gas wells and lines on the area to be strip mined and within two hundred feet of such area;

(f) Show the total area involved in the operation, the area of the coal, or clay to be strip mined, and the area of land affected.

(4) A basic fee of fifty dollars plus *fifteen* [ten] dollars for each acre or fraction thereof of the area of land to be affected by the operation shall be paid before the permit required herein shall be issued. The operator shall file with the division a bond payable to the Commonwealth of Kentucky with surety satisfactory to the division in the penal sum to be determined by the commission of not less than one hundred dollars nor more than two hundred fifty dollars for each acre or fraction thereof of the area of land affected, *with a minimum bond of one thousand dollars*, conditioned upon the faithful performance of the requirements set forth in this chapter and of the rules and regulations of the commission. In determining the amount of the bond within the above limits, the commission [division] shall take into consideration the purpose for which the bond is required, the character and future suitable use of the land involved, and the cost of reclamation to be required. *In a particular instance where the circumstances are such as to warrant an exception, the commission, in its discretion, may reduce the amount of the bond for a particular operator to less than the required minimum.*

Section 5. Section 350.070 of the Kentucky Revised Statutes is amended to read as follows:

The *division* [commission] may increase or reduce the area of land affected by an operation under a permit on application by an operator, but an increase shall not extend the period for which an original permit was issued. An operator may, at any time within one year from the date of issuance of the permit, apply to the *division* [commission] for an amendment of the permit so as to increase or reduce the acreage affected by it. The operator shall file an application and map in the same form and with the same content as required for an original application under KRS 350.060 and shall pay a basic fee of ten dollars, plus a fee of *fifteen* [ten] dollars for each acre or fraction of acre for the increase requested, and shall file with the *division* [commision] a supplemental bond in the amount to be determined under the provision of KRS 350.060 for each acre or fraction of an acre of the increase approved. If the *division* [commission] approves a reduction in the acreage covered by the original permit, it shall release the bond for each acre reduced, *but in no case shall* *the bond be reduced below one thousand dollars, except as provided in KRS 350.060 (4).*

Section 6. Section 350.100 of the Kentucky Revised Statutes is amended to read as follows:

(1) It shall be the duty of an operator to commence the reclamation of the area of land affected by his operation as soon as possible after the beginning of strip mining of that area, and to complete such reclamation as soon as may be feasible. Before an operator commences to reclaim an area of land affected, he shall file with the *division* [commission] a plan of reclamation. The *division* [commission] may require modification of the plan to meet the requirements of this chapter or *the regulations of the commission* [of its regulations]. The *division* [commission] shall allow the operator a reasonable period of time to complete the reclamation of the area of land affected by his operation.

(2) If an investigation indicates that planting so as to provide vegetative cover of an area of land affected by strip mining may not be successful, the *division* [commission] may authorize the operator to defer such planting until the soil has become suitable for such purposes, or it may authorize the operator to do planting to provide vegetative cover for a different area of land in lieu of that covered by his permit. Such different area of land must be land affected by strip mining in the past which has soil that has become suitable for planting, of not less acreage than the land covered by the permit, and be of a character similar to the land covered by the permit. An application by the operator for authority to plant a different area of land shall identify the different area and shall be accompanied by a map showing its location, area and boundaries. The application shall be accompanied by the written consent of the owner of the different area of land, and by the written consent of the owner of the land covered by the permit to release the operator from his obligation to provide a vegetative cover for the land covered by the permit. If the *division* [commission] grants the application for the planting of a different area of land and the planting is carried out in accordance with its orders, the operator shall be relieved of his obligation to provide a vegetative cover for the area of land affected by his operation for which a different area of land has been substituted.

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

Where one operator succeeds another at any uncompleted operation, either by sale, assignment, lease, or otherwise, the division may release the first operator from all liability under this act as to that particular operation: Provided, however, that both operators have been issued a permit and have otherwise complied with the requirements of this act, and the successor operator assumes as part of his obligation under this act all liability for the reclamation of the area of land affected by the former operator.

Section 8. Section 350.110 of the Kentucky Revised Statutes is amended to read as follows:

If the *division* [commission] authorizes an operator to defer planting to provide vegetative cover for an area of land, it shall set the time within which such planting shall be carried out. If the operator has carried out on that area of land the reclamation plan approved by the *division* [commission] other than the planting, the *division* [commission] shall issue to the operator and to his surety a release of his surety bond or other securities held on deposit for each acre of land for which such reclamation has been carried out, less the sum of fifty dollars for each acre, *but in no case shall the bond be reduced below one thousand dollars except as provided in KRS 350.060.* The remaining amount of the bond of fifty dollars for each acre of land affected shall remain in the possession of the *division* [commission] until a satisfactory planting plan has been carried out, or until it has been forfeited by the operator. If the remainder is forfeited, it shall be expended by the *division* [commission] in a planting program for the area of land for which it has been posted.

Section 9. Section 350.120 of the Kentucky Revised Statutes is amended to read as follows:

Within sixty days after the date of expiration of a permit, the operator shall file with the *division* [commission] a report stating the exact number of acres of land affected by the operation, the extent of reclamation already accomplished by him, and such other information as may be required by the rules and regulations of the *division and the* commission. The report shall be accompanied by a copy of the map filed with the original application which shall show any revisions made necessary by results of the operation. If the report shows that the operator has complied with the requirements of this chapter and with the rules and regulations of the commission *and the division* and has carried out a plan of reclamation approved by the *division* [commission], the *division* [commission] shall approve the report and the bond filed by him as surety shall be released by the *division* [commission]. If the *division* [commission] does not approve the report, the bond shall not be released until the operator complies with the orders of the commission and the *division* to meet requirements of this chapter and of its regulations.

Section 10. Section 350.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the requirements of this chapter or the orders of the *division and the* commission have not been complied with within the

time limits set by the *division or the* commission or by this chapter, the *division* [commission] shall cause a notice of non-compliance to be served upon the operator by registered mail addressed to the permanent address shown on the application for a permit. The notice shall specify in what respects the operator has failed to comply with this chapter or the regulations or orders of the *division and the* commission. If the operator has not reached an agreement with the *division* [commission] or has not complied with the requirements set forth by it within forty days after mailing of the notice, the permit may be revoked by the *division* [commission] and the performance bond shall then be forfeited to the *division* [commission].

(2) When a bond is forfeited pursuant to the provisions of this chapter, the director shall give notice to the Attorney General, who shall collect the forfeiture.

Section 11. Section 350.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) All sums received through the payment of fees or the forfeiture of bonds shall be placed in the State Treasury and credited to a special agency account to be designated as the Strip Mining and Reclamation Fund.

(2) This fund shall be available to the *division* [commission] and may be expended for the administration and enforcement of this chapter and for the reclamation of land affected by strip mining operations. Any unencumbered and any unexpended balance of this fund remaining at the end of any fiscal year shall not lapse but shall be carried forward for the purposes of this chapter until expended or until appropriated by subsequent legislative action.

(3) *All such forfeitures hereafter collected, as provided in this chapter, shall be expended to reclaim and rehabilitate land affected in accordance with the provisions of this chapter. Insofar as is reasonably practicable, the monies shall be expended upon the lands for which the permit was issued and for which the bond was given.*

Section 12. Section 350.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) In the reclamation of land affected by strip mining for which it has funds available, the *division* [commission] may avail itself of any services which may be provided by other state agencies or by agencies of the Federal government, and may compensate them for such services. The *division* [commission] may cause the reclamation work to be done by its own employees or by employees of other governmental agencies or through contracts with qualified persons. Such contracts shall be awarded to the lowest or best bidder upon competitive bids after reasonable advertisement. The *division* [commission]

and any other agency and any contractor under a contract with the *division* [commission] shall have the right of access to the land affected to carry out such reclamation.

(2) A person or organization having qualifications acceptable to the commission, may post bond and assume the liability for carrying out the reclamation plan approved by the division in areas where the mining operation and any necessary grading have been completed. The division shall then release the bond posted by the operator for such area.

Section 13. A new section of the Kentucky Revised Statutes is created to read as follows:

The Strip Mining and Reclamation Commission may appoint such advisory committees as would be of assistance to the commission in the development of programs and policies.

Section 14. Section 350.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person or operator who violates any of the provisions of this chapter or who fails to perform the duties imposed by these sections, or fails or refuses to obtain a permit as provided herein, or who violates any determination or order promulgated pursuant to the provisions of this chapter, shall be liable to a civil penalty of not more than two hundred fifty dollars for said violation, and an additional civil penalty of not more than two hundred fifty dollars for each day during which such violation continues, and in addition, may be enjoined from continuing such violations as hereinafter provided in this section. Such penalties shall be recoverable in an action brought in the name of the Commonwealth of Kentucky by the Attorney General *in the Franklin Circuit Court or in the circuit court having jurisdiction of the defendant, and all sums recovered shall be placed in the State Treasury and credited to the Strip Mining and Reclamation Fund.*

(2) It shall be the duty of the Attorney General, upon the request of the director to bring an action for the recovery of the penalties herein provided for and to bring an action for a restraining order, temporary or permanent injunction, against any operator or other person violating or threatening to violate any of the provisions of this chapter or violating or threatening to violate any order or determination promulgated pursuant to the provisions of this chapter.

(3) Any person who shall wilfully violate any of the provisions of this chapter, or any determination or order promulgated pursuant to the sections of this chapter which have become final shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not less than five hundred dollars and not

more than one thousand five hundred dollars. Each day upon which such violation occurs shall constitute a separate offense.

Section 15. Section 350.160, 350.180 and 350.190 of the Kentucky Revised Statutes are repealed.

Committee on Ky. Statutes #1 reported **SR 28, SB 161,** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SR 28, A JOINT RESOLUTION appropriating funds to the Commission on Public Education.

WHEREAS, the Commonwealth has great need for the services of the Commission on Public Education during the next two fiscal years; and

WHEREAS, funds for the operation of the commission were not appropriated in the General Appropriations Act;

NOW THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

1. That the Commission on Public Education continue unabated its operations during the next two fiscal years.

2. That there is hereby appropriated to the Commission on Public Education the amount of $75,000 for each of the fiscal years 1962-63 and 1963-64.

SB 161, AN ACT relating to business development corporations and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 155.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any financial institution may request membership in the corporation by making application to the board of directors on such form and in such manner as said board of directors may require, and membership shall become effective upon acceptance of such application by said board.

(2) Each member of the corporation shall make loans to the corporation as and when called upon by it to do so on such terms and other conditions as shall be approved from time to time by the board of directors, subject to the following conditions:

(a) All loan limits shall be established at the thousand dollar amount nearest to the amount computed in accordance with the provisions of this section;

(b) No loan to the corporation shall be made if immediately thereafter the total amount of the obligations of the corporation would exceed ten times the amount then paid in on the outstanding capital stock of the corporation;

(c) The total amount outstanding on loans to the corporation made by any member at any one time, when added to the amount of the investment in the capital stock of the corporation then held by such member, shall not exceed:

1. Twenty percent of the total amount then outstanding on loans to the corporation by all members, including in said total amount outstanding, amounts validly called for loan but not yet loaned;

2. The following limit, to be determined as of the time such member becomes a member on the basis of the audited balance sheet of such member at the close of its fiscal year immediately preceding its application for membership, or, in the case of an insurance company, its last annual statement to the Commissioner of Insurance; two percent of the capital and surplus of commercial banks and trust companies; *two percent of all reserves, surplus, and undivided profits of a building and loan association or one-fourth of one percent of the total outstanding loans made by such association, whichever is the lesser;* [one percent of the total outstanding loans made by a building and loan association: provided, however, that any business development corporation created pursuant to this chapter may in its articles of incorporation, or by appropriate amendment thereto, provide that the loan limit of a building and loan association member shall be only one-half of one percent of the total outstanding loans made by such building and loan association member;] one percent of the capital and unassigned surplus of stock insurance companies, except fire insurance writing companies; one percent of the unassigned surplus of mutual insurance companies, except fire insurance writing companies; one-tenth of one percent of the assets of fire insurance writing companies; and such limits as may be approved by the board of directors of the corporation for other financial institutions.

Section 2. Whereas it is necessary that Section 1 of this Act become effective immediately, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

Committee on Ky. Statutes #1 reported **SB 162** with the expression of opinion that the same should pass, with Committee Amendment attached thereto.

Said Committee Amendment to **SB 162** is as follows:

Amend printed copy of Senate Bill 162 on page 8, line 19, by: deleting all of Section (2) beginning on Line 19 and running through Line 1 on page 9 and inserting therefor the following:

(2) To accomplish the purpose of this Act, there is appropriated out of the General Expenditure Fund the sum of $175,000 for the 1962-63 fiscal year and the sum of $350,000 for the 1963-64 fiscal year; and there shall be allocated from the amount appropriated in House Bill 40, Page 9, Line 19, the sum of $175,000 for the 1962-63 fiscal year and there shall be allocated from the amount appropriated in House Bill 40, Page 9, Line 20, the sum of $350,000 for the 1963-64 fiscal year.

SB 162 read at length for the first time and ordered placed in the Calendar.

SB 162, AN ACT relating to special education of exceptional children.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 157.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Exceptional children" means children who differ or deviate from the average or normal children in physical, mental, emotional or social characteristics and abilities to the extent that they require specialized education in order to attain the maximum of their abilities and capacities.

(2) [(1)] "Physically handicapped children" means children, *other than those with a speech defect,* of sound mind between the ages of *three* [five] and twenty-one years who suffer from any *physical* disability making it impracticable or impossible for them to benefit from or participate in the normal classroom program of the public schools in the school district in which they reside and whose *intellectual development is such that they are capable of being educated through a modified educational program.* [education requires a modification of the normal classroom program]

(3) "Speech defective children" means children between the ages of six and twenty-one whose speech has been diagnosed by a speech correctionist as deviating or differing from average or normal speech to the extent of hindering adequate communication and requiring specialized instruction for improvement or correction of the handicap.

(4) [(2)] "Educable mentally handicapped children" means children [who are educable or trainable] between the ages of *six* [five] and twenty-one years who because of retarded *intellectual development* [mental growth], as determined by recognized standardized tests, are incapable of being educated profitably and efficiently through ordinary classroom instruction but *whose intellectual ability would indicate a degree of scholastic attainment with the benefit of special educational methods, materials, and facilities* [may be expected

to benefit from special educational facilities designed to make them economically useful and socially adjusted].

(5) "Trainable mentally handicapped children" are mentally handicapped children between the ages of six and twenty-one years who, because of retarded intellectual development, are incapable of being educated properly and efficiently through ordinary classroom instruction or special education facilities for educable mentally handicapped children, but who may be expected to benefit from training in a group setting designed to further their social adjustment and economic usefulness in their homes or in a sheltered environment.

(6) [(3)] "Special educational facilities" means special schools, special classes, and special instruction. All special education facilities shall be under the supervision of the Superintendent of Public Instruction.

Section 2. Section 157.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The State Department of Education is hereby designated as the agency for cooperation with the State and Federal Governments, the approved treatment centers and local schools of Kentucky in carrying out the provisions of *KRS 157.200 through KRS 157.280.* [KRS 157.210 to 157.300]

The State Board of Education shall make necessary rules and regulations in keeping with the provisions of *KRS 157.200 through KRS 157.280* [157.210 to KRS 157.300] for their proper administration *including but not limited to establishment of classes, eligibility and admission of pupils, the curriculum, class size limitations, housing, special equipment and instructional supplies.*

(2) The State Department of Education is authorized to receive contributions and donations *that may be made to carry out the provisions and requirements of KRS 157.200 through KRS 157.280.* [to be used in conjunction with any appropriation that may be made to carry out the provisions and requirements of KRS 157.210 to KRS 157.300]

(3) Local supervision of special educational facilities *for exceptional children* shall be approved by the Division of Special Education [for Handicapped Children] according to rules and regulations approved by the State Board of Education.

Section 3. Section 157.230 of Kentucky Revised Statutes is amended to read as follows:

(1) If parents of as many as *eight trainable* [twelve educable] mentally handicapped children living in a school district desire special education classes for their children, school boards of any school

district shall establish and maintain such classes, subject to any limitation specified in *KRS 157.200 through 157.280* [KRS 157.240 to 157.300] *and regulations of the State Board of Education.*

(2) School boards of any school district may, subject to any limitations specified in KRS 157.200 through 157.280, establish and maintain special educational programs for exceptional children who are residents of their school district, and such children, residents of other school districts, as may be authorized by subsequent sections of this Act.

(3) School boards of any school district may admit on preapproval and certification any physically handicapped child into special education programs at any time after the child has attained the age of three years.

(4) School boards of any school district may admit on proper approval and certification any educable or trainable mentally handicapped child into special education programs at any time after the child has attained the age of six years, provided, however, that educable and trainable mentally handicapped children shall not be enrolled in the same special class.

Section 4. Section 157.240 of the Kentucky Revised Statutes is amended to read as follows:

(1) No physically handicapped child shall be allowed special education facilities except upon a certified diagnosis of a physical defect by competent and appropriate professional authorities acceptable to the Superintendent of Public Instruction.

(2) The Director of Special Education [for Handicapped Children] upon the approval of the Superintendent of Public Instruction, shall prescribe rules, regulations and tests for determining what children shall be classified as educable mentally handicapped *or trainable mentally handicapped,* and questionable cases shall be decided by the director after adequate examination and consideration of specific case histories.

Section 5. Section 157.250 of the Kentucky Revised Statutes is amended to read as follows:

No person shall be employed to teach in any *special education program* [class in any school] authorized by KRS 157.230 unless he *has had such special training as the State Board of Education may require.* [holds a valid teacher's certificate as provided by law and unless he has had such special training as the State Board of Education may require. The State Board of Education is hereby directed to develop plans for the proper education of teachers of mentally or physically handicapped children and to prescribe and issue such standards and regulations as may be necessary and reasonable for certifying teachers and supervisors for exceptional children.]

Section 6. Section 157.260 of the Kentucky Revised Statutes is amended to read as follows:

The *Director of Pupil Personnel* [attendance officer] of each school district shall ascertain annually all children within his district who are [physically or mentally] handicapped and shall report the same to the *Department of Education* [Division of Special Education for Handicapped Children] on forms provided by the State Department of Education and according to regulations prescribed by the Superintendent of Public Instruction.

Section 7. Section 157.270 of the Kentucky Revised Statutes is amended to read as follows:

If in any district there are *physically* handicapped children not able even with the help of transportation to be assembled in a school, instruction may be provided in the child's home or in hospitals or sanitoria.

Physically handicapped children so instructed may be counted under the provisions of KRS 157.230 *(1)*, counting, however, a minimum of *two visits a week with a minimum of one hour* [two hours] of instruction *per visit,* by a teacher provided by the board of education as equivalent to the attendance of one child five days in school.

Section 8. Section 157.280 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the number of children in one classification of exceptionality in a district is not sufficient to justify a special education program in that district, or if a school district does not provide a special educational program, the board shall provide instruction by contract with another county or independent district that maintains an approved special education program for that type child. When a district undertakes, under operation of a tuition contract or of law, to provide in its classes for these pupils residing in another district, the district of their residence shall share the total cost of the special education program in proportion to the number of pupils or in accordance with contract agreement between the two districts. [If a child resident of one school district, because of his handicap attitude attends a class or school for any of such types of children in another school district, the school district in which he resides shall pay to the school district maintaining the school or class he attends, his tuition in a sum equal to the per capita cost of educating normal children in the district of his residence. If the normal per capita cost in the school district maintaining such special education services is greater than the normal per capita cost in the district of the child's residence, then the school district which provides the special education to the child may claim the difference as part of the excess per capita cost, for the purposes of KRS 157.300.]

(2) The school board of the school district in which any child resides shall pay for his transportation to the class in the other school district, *cost not to exceed three hundred dollars for one school year,* unless the school board of the other district provides his transportation to the class, in which case the cost of transportation *will* [may, for the purposes of KRS 157.300] be included *in the total cost of the special education facility.* [as part of the excess per capita cost in the school district providing the special education services]

Section 9. Section 157.290 of the Kentucky Revised Statutes is amended to read as follows:

The local superintendent of schools shall present to the Superintendent of Public Instruction an application for *tentative* [conditional] preapproval of a plan for special education *programs* [facilities] *for exceptional children.* [to handicapped children before the local school district shall be eligible to receive state reimbursement for these special educational services.]

Section 10. (1) The Superintendent of Public Instruction shall employ two additional supervisors for the purpose of testing and classifying the mentally retarded, and two additional supervisors to supervise programs for all other exceptional children. The Superintendent of Public Instruction shall allot fifty three units in the fiscal year 1962-63, and one hundred and eight units in the fiscal year 1963-64 for such purpose, in addition to the number of units allotted and limited by House Bill 40, Section C, page 11, line 19, to exceptional children.

(2) To accomplish the purpose of this Act, there shall be allocated from the amount appropriated in House Bill 40, page 9, line 19, the sum of $175,000 and from the amount appropriated on page 22, line 20, the sum of $350,000, for the 1962-63 fiscal year; and there shall be allocated from the amount appropriated in House Bill 40, page 9, line 20, the sum of $350,000 and from the amount appropriated on page 22, line 21, the sum of $700,000 for the 1963-64 fiscal year. Any portion of the allocation which remains unexpended at the end of the 1962-63 fiscal year shall not lapse and shall be available for expenditure in the 1963-64 fiscal year.

Section 11. Section 157.300 of the Kentucky Revised Statutes is repealed.

Committee on Ky. Statutes #1 reported **HB 196** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 196, AN ACT relating to bills passed by the General Assembly.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

In any bill passed by the General Assembly that amends one or more statute sections, it is the intent of the General Assembly to delete by amendment from such statute sections all words, figures and punctuation enclosed in brackets (i.e. [ ]) in the text of the statute sections as set out in the bill.

Calendar

HB 175 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Senator Ware moved that the Senate adjourn until 1 p.m., Wednesday, February 14. Agreed.

WEDNESDAY, FEBRUARY 14, 1962

THIRTY-FIFTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James Shepherd, Pastor of the First Methodist Church of Frankfort.

The roll was called. All present except Senator Derickson, who was granted leave of absence on motion of Senator Ware.

Reading of Journal for February 13 dispensed with and the same approved on motion of Senator Ware.

The President vacated the chair, President Pro Tem, Alvin Kidwell, presiding.

Motions, Petitions and Communications

The Clerk read the following communication from Governor Bert Combs:

February 7, 1962

Dear Governor Wyatt:

This is your notification that on August 5, 1960, I appointed Dr. John A. Atkinson, Louisville, Kentucky, as a member of the State Board of Health for a term of four years, representing the dental profession under the provision of KRS 211.040.

Also, on February 6, 1961, I re-appointed Dr. Robert W. Robertson, Paducah, Kentucky, as a member of the State Board of Health for a term of four years.

Also, on April 21, 1961, I appointed Dr. Branham B. Baughman, Frankfort, Kentucky, as a member of the State Board of Health for a term of four years, to fill a vacancy created by the expiration of an appointment.

Also, on January 18, 1962, I appointed Dr. Leon Higdon, Paducah, Kentucky, as a member of the State Board of Health for a term of four years, to fill a vacancy created by the death of a previously appointed member.

Inasmuch as KRS 211.050 provides that appointments by the Governor to the State Board of Health shall be made with the advice and consent of the Senate, I request that you submit the names of Dr. Atkinson, Dr. Robertson, Dr. Baughman and Dr. Higdon to the Senate and request the concurrence of that body in the appointments which I have made.

Sincerely,
Bert Combs

Honorable Wilson W. Wyatt
Lieutenant Governor
Frankfort, Kentucky

Senator Ware moved that the Senate concur in the appointments of Dr. John A. Atkinson, Dr. Robert W. Robertson, Dr. Branham B. Baughman, and Dr. Leon Higdon to the State Board of Health. Agreed.

Introduction of Bills and Resolutions

SB 225, by Senator Ware: AN ACT relating to the salaries of school officers and employees.

SB 226, by Senator Kiser: AN ACT relating to railroads.

SB 227, by Senator Bishop: AN ACT proposing an amendment to Section 99 of the Constitution of Kentucky relating to sheriffs.

SR 36, by Senators Hickerson, Edwards, Garnett and Buckman: A RESOLUTION recognizing the necessity and desirability of a Central Kentucky Toll Road and requesting the Governor, Lieutenant Governor and Highway Commissioner to take the steps necessary to build such a toll road.

SR 37, by Senator Logan: A RESOLUTION inviting Senator Clements, Lieutenant Governor Wilson W. Wyatt, Governor Bert Combs, Mr. Louis Bell, and Thurston Cooke, to appear before the Senate and give their versions of the famous truck deal.

SB 228, by Senator Turner: AN ACT relating to county boards of health.

SB 229, by Senator Kelly: AN ACT relating to Planning and Zoning.

Motions

Senator Hickerson moved the adoption of **SR 36.** Agreed.

SR 36, A RESOLUTION recognizing the necessity and desirability of a Central Kentucky Toll Road and requesting the Governor, Lt. Governor and Highway Commissioner to take the steps necessary to build such a toll road.

WHEREAS, the members of the Senate of the Commonwealth of Kentucky recognize the rapid progress and development of both the Eastern Kentucky Toll Road and the Western Kentucky Toll Road; and

WHEREAS, these two major highways together with the planned routes of Interstate 64 from Ashland to Lexington and from Paducah to Princeton leaves a distance of only eighty miles between Lexington and Elizabethtown to complete an east-west through highway; and

WHEREAS, such an east-west through highway is essential to the industrial and tourist development of our state; and

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the Governor, Lt. Governor, and Commissioner of the Department of Highways be requested to take all steps necessary to plan and construct a Central Kentucky Toll Road from Lexington to Elizabethtown.

Report of Committees

Committee on Higher Education reported **SB 113** with the expression of opinion that the same should pass by way of Committee Substitute. Committee Substitute to **SB 113** read at length for the first time and ordered placed in the Calendar.

SB 113, AN ACT relating to higher education.

WHEREAS, the need has been established for four additional Community Colleges.

NOW THEREFORE:

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise, "Board" means the Board of Trustees of the University of Kentucky.

Section 2. The University of Kentucky Community College system is established. Each Community College shall provide a two-year college curriculum.

Section 3. A Community College shall be maintained in Ashland, Covington, Henderson, Cumberland and Elizabethtown, and the board shall convert any University facilities existing in these communities to the uses of the Community College program.

Section 4. There shall be established and maintained a Community College in each of the following locations; Prestonsburg, Blackey-Hazard, Hopkinsville, Somerset, each to be established, as funds are made available.

Section 5. (1) The board has the same powers with respect to the Community Colleges that it has as to the University of Kentucky in general. The board shall designate each Community College with a name that includes the words "Community College."

(2) The board shall encourage and may accept donations of land or funds or both to be used in the acquisition, construction or operation of Community Colleges. The board may commemorate donations from private persons or corporations with suitable memorials.

(3) The board may accept Federal Grants to be used in the acquisition, construction, or operation of Community Colleges.

Section 6. (1) The Governor shall appoint a local Advisory Board for each Community College. Each local advisory board shall serve in an advisory capacity to the board and the head of the Community College on the operation of the Community College.

(2) Each local advisory board shall consist of seven members. A member's term is four years; however, when appointing the initial members of the local advisory boards, the Governor may appoint some members for terms of less than four years. Local advisory board members shall receive no compensation for their services, but shall be paid for their actual and necessary expenses.

Section 7. Sections 164.122, 164.124 and 164.570 of the Kentucky Revised Statutes are repealed.

Committee on Courts and Legal Procedure reported **SB 98** with the expression of opinion that the same should pass by way of Committee Substitute. Committee Substitute to **SB 98** read at length for the first time and ordered placed in the Calendar.

SB 98, AN ACT relating to the disposition of fines and forfeitures resulting from convictions for violations arising out of the use or operation of a motor vehicle on a state maintained highway in a city of the sixth class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Notwithstanding any other statutory provision to the contrary, all fines and forfeitures recovered in any court as a result of a conviction for a violation arising out of the use or operation of a motor vehicle, which violation occurred on a state maintained highway within the boundaries of a city of the sixth class, except the fines and forfeitures recovered as a violation of any provision of KRS 189.221, 189.222 and 189.270, shall inure to the benefit of the state and shall be paid into the State Treasury, to be credited to the State Road Fund, and no part shall be returned to the local government units from which they were sent.

Committee on Courts and Legal Procedure reported **HB 188, HB 76, HB 71, SB 70, SB 160, SB 93, SB 90, SB 62, SB 104** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 188, AN ACT relating to district detectives.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 69.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) In counties having a population of 150,000 or more the Commonwealth's attorney shall appoint four district detectives for a term of four years subject to removal at any time by the Commonwealth's attorney. The district detectives shall each be paid a salary of $3,600 annually, paid out of the county levy in equal monthly installments. Such salaries may be increased by the fiscal court in accordance with KRS 64.520.

(2) In counties containing a city of the second class the Commonwealth's attorney shall appoint a district detective for a term of four years subject to removal at any time by the Commonwealth's attorney. He shall receive an annual salary of not less than *$4,000* [$1,800], nor more than *$6,000* [$3,600] to be *fixed by the fiscal court and* paid out of the county levy in equal monthly installments.

(3) The detectives appointed pursuant to subsections (1), (2) or (5) of this section shall have the same powers of arrest and right to execute process as sheriffs have. They shall assist the Commonwealth's attorney in all matters pertaining to his office in the manner he designates and shall assist him in the preparation of all criminal cases in circuit court by investigating the evidence and facts connected with such cases.

(4) In counties containing a city of the first class the fiscal court may authorize the payment out of the county treasury of sums sufficient to reimburse the district detectives for expenses incurred for gasoline and motor oil used in the performance of their official duties, and may prescribe the amount, manner and conditions of payment.

(5) In counties containing a population of 40,000 or more persons but not containing a city of the second class, the Commonwealth's attorney may, if the fiscal court concurs therein, appoint a district detective having a term of four years subject to removal at any time by the Commonwealth's attorney. Such district detectives may receive an annual salary of not less than $1,800 nor more than $3,600.

HB 76, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 131.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) If an aggrieved taxpayer has petitioned for review, as provided in KRS 131.110, he may, within *thirty days* [fifteen days] after the mailing of notice of the final decision of the Kentucky Tax Commission, appeal from the decision on any question of law, including adequacy of evidence, to the Franklin Circuit Court. Two copies of the taxpayer's petition of appeal shall be filed with the Department of Revenue on the day it is filed with the clerk of the Franklin Circuit

Court. The aggrieved taxpayer shall file as a part of his petition to the Franklin Circuit Court the record before the department, including all the pleadings, orders and such parts of the evidence as he believes necessary to develop the points involved. The Commonwealth may certify other portions of the evidence. To facilitate adjudication of the taxpayer's claims, the department shall furnish him, on payment of a reasonable fee to be fixed by the department, a certified copy of such parts of the record as he may require. The case shall then be heard by the court on the record, except that either party may introduce evidence of fraud.

(2) Except as otherwise expressly provided, the provisions of the *Rules of Civil Procedure* [Civil Code] shall govern procedure involving appeals from any order, ruling or finding of the Kentucky Tax Commission.

Section 2. Section 131.130 of the Kentucky Revised Statutes is amended to read as follows:

Without limitation of other duties assigned to it by law, the following powers and duties are vested in the Department of Revenue:

(1) The department may make rules and regulations, and direct proceedings and actions, for the administration and enforcement of all tax laws of this state.

(2) The department, by representatives appointed by it in writing, may take testimony or depositions, and may examine the records, documents, files and equipment of any taxpayer or of any person whose records, documents or equipment will furnish knowledge concerning the tax liability of any taxpayer, when it deems this reasonably necessary for purposes incident to the performance of its functions. The department may enforce this right by application to the circuit court in the county wherein the person is domiciled or has his principal office, or by application to the Franklin Circuit Court, which courts may compel compliance with the orders of the department.

(3) The department shall prescribe the style, and determine and enforce the use or manner of keeping, of all assessment and tax forms and records employed by state and county officials, and may prescribe forms necessary for administration of any revenue law.

(4) The department shall advise on all questions respecting the construction of state revenue laws and the application thereof to various classes of taxpayers and property.

(5) The department may require the Commonwealth's attorneys and county attorneys to prosecute actions and proceedings and perform other services incident to the enforcement of laws assigned to the department for administration.

(6) The department may conduct research in the fields of taxation, finance and local government administration, and publish its findings, as the commissioner may deem wise.

(7) *The department may make rules and regulations necessary to establish a system of taxpayer identifying numbers for the purpose of securing proper identification of taxpayers subject to any tax laws or other revenue measure of this state, and may require such taxpayer to place on any return, report, statement or other document required to be filed, any number assigned pursuant to such rules and regulations.*

HB 71, AN ACT relating to attorney's fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 453.060 of the Kentucky Revised Statutes is amended to read as follows:

[(1)] If the successful party is represented by a licensed attorney and no jury is impaneled, the following attorney's fees shall be allowed:

(a) In the Court of Appeals:	
In equity cases,	$10.00
In common-law cases,	5.00
(b) In the circuit court:	
In equity cases,	5.00
In common-law cases,	2.50
(c) In all cases in the county court,	2.50
(d) In all cases in the quarterly court,	2.50

[(2) A guardian ad litem or warning order attorney shall be allowed by the court a reasonable fee for his services, to be paid by the plaintiff and taxed as costs, but if no service is rendered, other than to file a report or answer, the fee shall be $5.00.]

SB 70, AN ACT relating to unemployment insurance, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 341.050 of the Kentucky Revised Statutes is amended to read as follows:

Covered employment. (1) As used in this chapter, unless the context clearly requires otherwise and subject to the other provisions of this section, "covered employment" means service, including service in interstate commerce, performed for wages or under any contract of hire, written or oral, express or implied in which the relationship of the individual performing such service and the employing unit for which such services are rendered is, as to those services, the legal relationship of employer and employe.

(2) "Covered employment" includes a worker's entire service performed within or both within and without this state if:

(a) The service is localized in this state; or

(b) The service is not localized in any state, but some of the service is performed in this state, and:

1. The base of operations, or, if there is no base of operations, then the place from which such service is directed or controlled, is in this state; or

2. The base of operations or place from which such service is directed or controlled is not in any state in which some part of the services is performed, but the worker's residence is in this state.

(3) Services not covered under subsections (1) or (2) of this section, and performed entirely without this state, with respect to no part of which contributions are required and paid under an unemployment compensation law of any other state or of the Federal Government, are covered employment if the worker performing them is a resident of this state and if the Commissioner approves the election of the employing unit for which they are performed that the entire service of such worker shall be deemed to be covered employment.

(4) Service shall be deemed to be localized within a state if:

(a) The service is performed entirely within such state; or

(b) The service is performed both within and without such state, but the service performed without such state is incidental to the worker's service within the state, for example, is temporary or transitory in nature or consists of isolated transactions.

(5) *(a) After December 31, 1961, the term "covered employment" shall also include:*

1. Service which is not localized in any state but is performed by an employe on or in connection with an American aircraft, if either the contract of service is not entered into within this state or within any other state and during the performance of the contract of service and while the employe is employed on the aircraft, it touches at an airfield in this state: Provided that the employe is employed on and in connection with such aircraft when outside the United States;

2. Service performed by an officer or member of the crew of an American vessel on or in connection with such vessel, if the operating office, from which the operations of such vessel operating on navigable waters within or within and without the United States are *ordinarily and regularly supervised, managed, directed and controlled, is within this state.*

(b) As used in this section the term "American vessel" means any vessel documented or numbered under the laws of the United States; and includes any vessel which is neither documented or numbered under the laws of the United States nor documented under the laws of any foreign country, if its crew is employed solely by one or more citizens or residents of the United States or corporations organized under the laws of the United States or of any state; and the term "American aircraft" means an aircraft registered under the laws of the United States.

(6) Unless the employing unit thereof has elected that such services becomes covered employment under the provisions of subsection (3) of KRS 341.250, "covered employment" does not include:

(a) Agricultural labor;

(b) Domestic service in a private home;

(c) Service performed in the employ of this state, or any political subdivision thereof or of any of its municipalities;

(d) Service performed in the employ of any other state or of any political subdivision thereof, or of the United States Government *or an instrumentality of the United States exempt by federal law from the contributions imposed by this chapter, except that to the extent that the Congress of the United States shall permit states to require instrumentalities of the United States to make payments into an unemployment fund under a state unemployment insurance law, all the provisions of this chapter shall be applicable to such instrumentalities, and to services performed for such instrumentalities, in the same manner, to the same extent and on the same terms as to all other employing units, individuals, and services; provided that if this state shall not be certified for any year by the Secretary of Labor of the United States under section 3304 of the Federal Internal Revenue Code, the payments required of such instrumentalities with respect to such year shall be refunded from the fund in the same manner and within the same period as is provided in KRS 341.330 with respect to the contributions erroneously collected;* [and services performed in the employ of a corporation or agency created under an Act of Congress and engaged in the performance of a governmental function and the employes of which are compensated out of funds appropriated by Congress;]

(e) Service with respect to which unemployment compensation is payable under an unemployment compensation system established by an Act of Congress. The Commissioner may enter into agreements with the proper agencies under such Act of Congress to provide reciprocal treatment to workers who have, after acquiring potential rights to benefits under this chapter, acquired rights to unemployment compensation under such Act of Congress, or who have, after acquiring potential rights to unemployment compensation under such Act of Congress, acquired rights to benefits under this chapter;

(f) Service performed by a worker in the employ of his son, daughter, or spouse and service performed by a child under the age of twenty-one in the employ of his father or mother;

(g) Service performed in the employ of a corporation, community chest, fund or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting to influence legislation; *provided that service performed in the employ of an organization operated for the primary purpose of carrying on a trade or business for profit shall not be exempt on the grounds that all of the profits are payable to one or more organizations exempt under this subsection; and further provided that services exempt under this subsection shall not include services performed for an employing unit with respect to which such employing unit is liable for any federal tax against which credit may be taken for contributions paid into a state unemployment insurance fund;*

(h) Service performed as a student nurse in the employ of a hospital or a nurses' training school by a worker who is enrolled and is regularly attending classes in a nurses' training school chartered or approval pursuant to the laws of this state; and service performed as an interne in the employ of a hospital by a worker who has completed a four years' course in a medical school chartered or approved pursuant to the laws of this state;

(i) Service performed by a worker for an employing unit as an insurance agent or as an insurance solicitor, if all such service performed by such worker for such employing unit is performed for remuneration solely by way of commission;

(j) Service performed by a worker under the age of eighteen in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution; or

(k) Service performed by a full-time student who is regularly attending classes at a school, college or university;

(1) Service not in the course of the employing unit's trade or business performed in any calendar quarter by a worker, unless the cash remuneration paid for such service is fifty dollars or more and such service is performed by an individual who is regularly employed

by such employing unit to perform such service. For the purpose of this paragraph, an individual shall be deemed to be regularly employed by an employing unit during a calendar quarter only if—

1. On each of some twenty-four days during such quarter such individual performs for such employing unit for some portion of the day service not in the course of the employing unit's trade or business, or

2. Such individual was regularly employed (as determined under 1. above) by such employing unit in the performance of such service during the preceding calendar quarter.

(m) Service performed in any calendar quarter in the employ of any organization exempt from income tax under section 501(a) of the Federal Internal Revenue Code (other than an organization described in section 401(a)), or under section 521 of the Federal Internal Revenue Code, if the remuneration for such service is less than $50.

(7) For the purpose of this chapter, if the services performed during one-half or more of any pay period by a worker for the employing unit employing him constitute covered employment, all the services of such worker for such period shall be deemed to be covered employment; but if the services performed during more than one-half of any such pay period by a worker for the employing unit employing him do not constitute covered employment, then none of the services of such worker for such period shall be deemed to be covered employment. As used in this subsection, the term "pay period" means a period (of not more than thirty-one consecutive days) for which a payment of remuneration is ordinarily made to a worker by the employing unit employing him. This subsection shall not be applicable with respect to services performed in a pay period by a worker for the employing unit employing him, where any of such service is excepted by subsection (6) (e) of this section.

Section 2. Section 341.145 of the Kentucky Revised Statutes is amended to read as follows:

Reciprocal arrangements. (1) The Commissioner may enter into [administrative] arrangements with the *appropriate* agencies of other states or *of* the Federal Government, *or both,* [similarly charged with the administration of unemployment compensation laws] for the purpose of assisting the Commissioner and such agencies in the payment of benefits *and the furnishing of services to unemployed or underemployed workers* [under the several laws]. Such arrangements may provide that the respective agencies shall, for and on behalf of each other, act as agents in effecting registrations for work, notices of unemployment, and any other certifications or statements relating to a worker's claim for benefits; in making investigation, taking depositions, holding hearings, or otherwise securing information relating to benefit eligibility and payments; and in such other matters as the Commissioner considers suitable in effectuating the purpose of these administrative arrangements.

(2) The Commissioner may enter into arrangements with the appropriate agencies of other states or the Federal Government whereby workers performing services in this and other states for a single employing unit under circumstances not specifically provided in KRS 341.050, or under similar provisions in the unemployment compensation laws of such other states, shall be deemed to be engaged in employment performed entirely within this state or within one of such other states.

(3) (a) Any provisions of this chapter to the contrary notwithstanding, the Commissioner is hereby authorized to enter into reciprocal arrangements with duly authorized agencies of other states or of the Federal Government, or both, whereby workers with potential rights to benefits in this and another state or other states or the Federal Government may have such rights determined upon the basis of his combined potential rights in such jurisdictions. Benefits, based upon such combined potential rights, may be paid either under provisions of this chapter or under the provisions of the law of another state or the Federal Government, or under such combination of provisions of both laws as may be agreed upon as being fair and reasonable to all affected interests. No such an arrangement shall be entered into unless each agency entering into such arrangement shall agree to reimburse the fund of the other agency to the extent of the liability incurred under terms of the arrangement. Reimbursements to another state or the Federal Government, paid from the fund pursuant to this subsection, shall be deemed to be benefits for the purposes of this chapter and charged to employers' reserve accounts in accordance with the provisions of subsections (2) and (3) of KRS 341.530 to the extent of calculations made on wages paid during the base period established by KRS 341.090 and wages paid after such base period; provided, however, benefits based on a period previous to the base-wage period established by KRS 341.090 shall be charged to the pooled account.

(b) In order that such reciprocal arrangements, when entered into, may be effectuated, wages for insured work under an employment security law of another state or of the Federal Government shall be deemed to be wages earned in covered employment from a subject employer for the purpose of determining his benefits under this chapter.

Section 3. Section 341.290 of the Kentucky Revised Statutes is amended to read as follows:

Contributions from employers not subject to Federal Unemployment Tax Act. Any subject employer not required to pay the tax imposed by section 1600 of the Federal Unemployment Tax Act (53 Stat. Part I, sections 1600-1610) shall pay an equalizing contribution to be allocated to administration purposes amounting to three-tenths percent of the wages paid by it *prior to January 1, 1962,* with respect to covered employment. The contributions required under this section shall be credited to the Unemployment Compensation Administration Fund. The State Treasurer shall maintain a separate record of all money received for the Unemployment Compensation Administration Fund under this section. This money shall not be expended or available for expenditure in any manner that would permit its substitution for, or a corresponding reduction in, Federal funds that would be available in its absence to finance expenditures for the administration of this chapter. But nothing in this chapter shall prevent this money from being used as a revolving fund to cover necessary and proper expenditures for which Federal funds have been duly requested but not received, subject to the charging of such expenditures against such funds when received. The Commissioner may also authorize to be charged against such money any expenditures he deems proper and desirable for the administration of this chapter, if no other funds are available or can properly be used to finance such expenditures.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

Cancellation and reissue of checks. None of the funds, accounts or monies administered, established, or maintained under this chapter shall be credited or otherwise transferred to the General Expenditure Fund or any other fund or account by reason of the provisions of KRS 41.370 or subject to escheat under any other section of the Kentucky Revised Statutes. Any unpaid check issued pursuant to the provisions of this chapter may be cleared from the records of the treasurer within the time and in the manner specified in KRS 41.370, except that the amount of such check shall remain to the credit of the fund or account against which it was drawn. Such checks if thereafter presented for payment may be paid within the time and in the manner set forth in such section, except that the amount thereof shall be charged to the fund or account against which it was originally drawn.

Section 5. *The provisions of this Act shall be applicable on and after January 1, 1962. With respect to calendar years beginning before January 1, 1962, the provisions of KRS Chapter 341, as they existed immediately prior to the enactment of this Act, shall remain applicable, the same as though they had not been amended by this Act.*

Section 6. *Whereas the major provisions of this Act are enacted to conform with changes in the Federal Unemployment Tax Act as amended, which became effective as of January 1, 1962, and it being desirable that the records and accounts of the Division of Unemployment Insurance reflect such changes as near the beginning of the tax year as possible, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.*

SB 160, AN ACT relating to the office of Assistant Commonwealth's Attorney.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

In counties having a population of 125,000 or more, but less than 200,000, the Commonwealth's Attorney may appoint an Assistant Commonwealth's Attorney for the duration of his term, subject to removal at any time by the Commonwealth's Attorney.

SB 93, AN ACT relating to the city attorney of cities of the first class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 69.410 of the Kentucky Revised Statutes is repealed.

SB 90, AN ACT relating to marriage, annulment, and divorce statistics.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 213.330 of the Kentucky Revised Statutes is amended to read as follows:

Each county court clerk shall, on or before the tenth day of each month, furnish to the Division of Vital Statistics from the marriage licenses issued and the marriage certificates returned to the clerk during the previous month such information as may be required by the State Department of Health upon forms prescribed and furnished by the department. *The county court clerk shall collect from the applicants for a marriage license at the time the license is issued fifty cents which shall constitute his fee for forwarding the required information to the Division of Vital Statistics of the State Department of Health.*

Section 2. Section 213.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) *In all actions for divorce, absolute or limited or annulment of marriage, the plaintiff or his attorney or legal representative shall*

file concurrently with the complaint, such information as is requested on forms prescribed and furnished by the Division of Vital Statistics.

(2) Each circuit court clerk shall, within forty-five days after entry of a final judgment of divorce, absolute or limited or annulment of marriage, [or adoption] *complete the form prescribed and furnished by* [furnish to] the Division of Vital Statistics [such information as may be available from the record to the State Department of Health upon forms prescribed and furnished by the department.] *and forward it to the Division of Vital Statistics.*

(3) *The circuit court clerk shall be paid a fee of fifty cents for preparing and forwarding the required information to the Division of Vital Statistics of the State Department of Health. The fee for each such report shall be added to the court costs allowed in such cases.*

SB 62, AN ACT relating to Property and Rights of Persons in Armed Forces.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 384.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) In addition to the acknowledgement of instruments and the performance of official acts in respect to instruments in the manner and form and as otherwise authorized by law, instruments may be acknowledged, documents attested, oaths and affirmations administered, depositions and affidavits executed, and other such official acts performed, before or by any commissioned officer in active service of the Armed Forces of the United States [with the rank of second lieutenant or higher in the Army or Marine Corps, or with the rank of ensign or higher in the Navy or Coast Guard, or with equivalent rank in any other component part of the Armed Forces of the United States, by] *for* any person who either

(a) Is a member of the Armed Forces of the United States, or

(b) Is serving as a merchant seaman outside the limits of the United States, or

(c) Is outside said limits by permission, assignment or direction of any department or official of the United States Government. [, in connection with any activity pertaining to the prosecution of any war in which the United States is then engaged.]

(2) Such acknowledgement of instruments, attestation of documents, administration of oaths and affirmations, execution of depositions and affidavits, and performance of other notarial acts, heretofore or hereafter made or taken, are hereby declared legal, valid and binding, and instruments and documents so acknowledged, authenticated, or sworn to shall be admissible in evidence and eligible to record

in this state under the same circumstances, and with the same force and effect as if such acknowledgement, attestation, oath, affirmation, deposition, affidavit, or other official act, had been made or taken within this state before or by a duly qualified officer or official and under his appropriate certificate and seal of office as otherwise provided by law.

(3) In the taking of acknowledgements and the performing of other notarial acts requiring certification, a certificate endorsed upon or attached to the instrument or document, which shows the date of this notarial act and which states, in substance, that the person appearing before the officer acknowledges the instrument as his act or made or signed the instrument or document under oath, shall be sufficient for all intents and purposes.

(4) When the official signature of any such commissioned officer [of the rank specified in subsection (1) of this section] appears upon such instrument, document or certificate, it shall be prima facie evidence that the person making such oath or acknowledgement is within the purview of this section.

SB 104, AN ACT relating to the correction of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 14.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Secretary of State shall have custody of the books, records, deeds, maps and papers belonging to or deposited in his office, and shall arrange and preserve them.

(2) When a certified copy of a record in the office of the Secretary of State is presented as evidence in any court of this state, by mailing under seal to the clerk of the circuit court in the county where it is to be used, [in the same manner that depositions are forwarded under § 538 of the Civil Code,] it shall be prima facie evidence of the contents of the record, and the personal presence of the Secretary of State as a witness is not necessary.

Section 2. Section 29.990 of the Kentucky Revised Statutes is amended to read as follows:

[(1) Any person violating any of the provisions of subsection (2) of KRS 29.080 shall be imprisoned in the penitentiary for not less than one nor more than five years.]

(1) [(2)] Any sheriff or other officer violating any of the provisions of subsection *(4) of KRS 29.175* [(2) of KRS 29.170] shall be fined not more than five hundred dollars, shall forfeit his office, and be forever disqualified from holding any office in this state.

(2) [(3)] Any juror violating any of the provisions of KRS 29.350 shall be fined one hundred dollars and a sum equal to ten times the amount received or agreed to be received, and shall not thereafter serve on any jury.

(3) [(4)] Any person violating subsection (1) of KRS 29.370 shall be fined ten dollars.

(4) [(5)] Any juror violating subsection (2) of KRS 29.370 may be fined by the court for contempt in a sum not exceeding ten dollars for each offense, which fine shall be deducted from the pay of the juror.

(5) [(6)] Any person violating any of the provisions of KRS 29.380 shall be fined twenty-five dollars.

(6) [(7)] Any circuit clerk failing or neglecting to comply with any of the provisions of KRS 29.440 shall, for each offense, be fined not less than fifty nor more than one hundred dollars.

(7) [(8)] Any officer who fails, without good excuse, to summon the grand or petit jurors whom he is directed to summon, shall be fined for each offense not less than five nor more than thirty dollars.

Section 3. Section 36.130 of the Kentucky Revised Statutes is amended to read as follows:

[Except as provided in KRS 37.040,] *The* Adjutant General, by and with the advice and approval of the Governor, shall appoint the officers and other personnel necessary for the proper functioning of the Department of Military Affairs, fix their salaries and prescribe their duties.

Section 4. Section 41.060 of the Kentucky Revised Statutes is amended to read as follows:

The Treasurer shall appoint an assistant and may remove him at pleasure. The assistant may perform any of the duties of the Treasurer, excepting the signing of checks, and shall perform the duties of clerk. If the Treasurer is disabled by sickness, or if he absents himself from the seat of government, he shall notify the Governor in writing of the facts, and recommend his assistant or some other person to discharge the duties of the office during his sickness or absence. If the Governor approves the recommendation he shall enter his approval on the executive journal, after which the assistant or other person may perform all the duties of the Treasurer until he is restored to health or returns to the seat of government. The Treasurer and his sureties shall be responsible on his bond for all the acts and omissions of the assistant. The salary of the assistant shall be fixed by the Treasurer, subject to the provisions of KRS 12.050, 12.060 and *18.210 to 18.320.* [42.110 to 42.150]

Section 5. Section 42.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 42.020 to 42.060, [and in KRS 42.110 to 42.150,] unless the context requires otherwise, the terms "Administrative department," "Agency," "Division," "Employe," "Functions," "Position," and "State service" have the meaning given them by KRS 12.010.

Section 6. Section 42.035 of the Kentucky Revised Statutes is amended to read as follows:

The Department of Finance shall be responsible for the management, maintenance and operation of the Executive Mansion. Such personnel as are necessary for the operation and maintenance of the Executive Mansion shall be employed by the Department of Finance. None of the provisions of KRS *18.210 and 18.220* [42.120] shall apply to personnel employed to maintain and operate the Mansion.

Section 7. Section 47.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in subsections (2), [(3),] (4), (5), *and* (6), [and (7)] of this section, and except as otherwise provided in this chapter and in KRS 342.480 and 342.485, all state revenue shall be credited to the General Fund.

(2) All revenue realized from the gasoline tax imposed by KRS 138.220 or from any gasoline tax hereafter imposed by law, [and all revenue realized from the motor vehicle fuel tax imposed by KRS 138.360,] shall be credited to the State Road Fund.

(3) [(4)] All fees and taxes collected under the provisions of Chapter 281, and all revenue realized from any motor bus license tax hereafter imposed by law, shall be credited to the State Road Fund.

(4) [(5)] All fees collected under KRS 176.230 and not returned to the applicant as authorized by that section shall be credited to the State Road Fund.

(5) [(6)] All funds appropriated by law to revolving funds pursuant to the provisions of KRS 45.140 shall be credited to such revolving funds.

(6) [(7)] All funds collected under the provisions of KRS 278.120 to 278.150 for the support of the Public Service Commission shall be credited as provided in those sections.

Section 8. Section 47.011 of the Kentucky Revised Statutes is amended to read as follows:

All moneys and revenues received under the provisions of KRS *137.340 to 137.410* [137.260 to 137.320] shall be paid into the State Treasury to the credit of the General Fund.

Section 9. Section 57.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) Within thirty days after the expiration of the time for receiving bids, the Department of Finance shall open all bids, and publicly award the contract for each class to the bidder whose proposal is found to be the lowest and best, not to exceed the rates fixed by KRS *57.230 to 57.250.* [57.220 to 57.260.] No contract shall be awarded to a bidder unless he furnishes proof that he has adequate equipment to perform the work or will have such equipment when the work is to be performed.

(2) If the person to whom any contract is awarded does not accept it, the Department of Finance shall award the contract to the next lowest bidder, and if the next lowest bidder does not accept, then to the next lowest bidder, and so on, until the contract is awarded to the lowest bidder who will accept it.

(3) If two or more persons bid the same price for any class of work or materials, and that price is the lowest for the class, the Department of Finance may award the contract to one of the bidders as it deems best for the interest of the state.

(4) If any contract is not let at the time contemplated, or is cancelled, or is for any other cause required to be let at any other time, the Department of Finance shall fix the time when it will receive bids, and shall solicit and receive bids and make awards as nearly as may be in the same manner and upon the same terms as if the contract were being awarded at the regular time.

(5) No contract for state printing or binding, or the furnishing of paper, stationery or supplies, shall be made without the written approval of the Governor.

(6) The Department of Finance may reject any or all bids made for contracts to be awarded under this section.

Section 10. Section 64.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the term of any *circuit or county clerk in counties of 75,000 population or over* [clerk mentioned in KRS 64.040] expires, or he dies or resigns, or is removed from office, he or his personal representative, trustee or committee, as the case may be, shall at once deliver to his successor in office all accounts, claims and fees due him in his official capacity. The successor shall have such fees, claims and accounts collected, or the Department of Finance may, in its discretion, when said accounts, fees and claims are so delivered to the successor, appoint a person to collect them. If a collector is appointed, the successor shall at once, or when demanded by the collector, deliver to him all accounts, fees and claims uncollected. The successor

or collector, as the case may be, shall, every sixty days after receiving such accounts, fees and claims, report to the Department of Finance, under oath, the amount collected thereon, and at the same time pay to the Department of Finance the amount so collected, and shall continue to so report for three years, unless the accounts, fees and claims are sooner collected.

(2) The Department of Finance shall, upon each payment, draw a warrant on the State Treasurer in favor of the person collecting, for an amount equal to 20% of the amount so paid in, which shall be the full compensation allowed for such collection.

(3) If the amount paid to any such clerk during his term or incumbency was not sufficient to pay the salaries and office expenses of the clerk, the Department of Finance shall, out of the money collected and paid in as provided in subsection (1) of this section, pay to the clerk, or to the person entitled to receive the same, an amount sufficient to supply the deficit due for salaries and expenses, not exceeding 75% of the amount of fees accrued during his official term and which have been collected and paid to the Department of Finance.

Section 11. Section 64.420 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as otherwise provided in KRS 64.050 [and as it is made applicable to sheriffs by KRS 64.130,] if any officer dies before making out a fee-bill or collecting his fees, his deputy, or, if none, his personal representative, may, within two years after the services were rendered, make out and sign a fee-bill therefor, and may list the fee-bill in due time for collection with the proper officer, and the fee-bill shall be collectible and distrainable as if issued by the deceased officer in his lifetime.

(2) Any person against whom an illegal fee-bill is made by a deputy or personal representative shall be entitled to the same remedies against such deputy or personal representative as are given against an officer.

(3) If any person against whom a fee-bill is issued under this section makes an affidavit that the fee was paid to the officer in his lifetime, and produces the affidavit to the officer having the fee-bill for collection, such officer shall forthwith return the fee-bill and affidavit to the person who issued it, and the same shall thereafter be collectible by action only, as other debts.

Section 12. Section 64.505 of the Kentucky Revised Statutes is amended to read as follows:

Effective July 1, 1956, each regular circuit judge, having a circuit court district composed of more than one county, shall be allowed his actual expenses incurred in discharging the duties of his office in those counties in his district other than the county of his residence, to the same extent that officers and employes of the State are allowed expenses under the provisions of KRS 45.180. Claims for such expenses shall be submitted to the Department of Finance in accordance with the applicable law and rules and regulations governing the payment of claims for expenses by the Commonwealth and shall be approved by the Administrative Director appointed pursuant to the provisions of KRS *22.110* [21.220].

Section 13. Section 64.640 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as otherwise provided in subsection (2) of this section, and excepting officers elected by popular vote, commissioners of the Court of Appeals, employes of the General Assembly, including employes of the Legislative Research Commission, members of boards and commissions, and presidents and employes of the University of Kentucky and the state colleges, the Department of Personnel shall prepare a schedule of compensation, payable out of the State Treasury, with a minimum and maximum salary rate, and such intermediate salary rates as are deemed necessary or advisable, for the office or position of employment of every state officer and employe, including specifically the offices and positions of employment in every constitutional administrative department, statutory administrative department, independent agency, or other unit of state government. Such schedules shall be based upon studies of the duties and responsibilities of the offices and positions and upon a comparison with rates being paid for similar or comparable services elsewhere, and in the preparation of such schedules, the Department of Personnel shall ascertain and record the duties, responsibilities and authority pertaining to the various offices and positions in the state service, and classify such positions in the manner provided in KRS *18.190 to 18.230* [18.010 to 18.070]. No such schedule shall become effective until it has been approved by the Governor.

(2) The Governor shall set the compensation payable out of the State Treasury to each office or position in the state service hereinafter named but such compensation shall not exceed the maximum sums listed herein:

(a) Adjutant General, Commissioner of Alcoholic Beverage Control, Executive Director of the State Tuberculosis Sanatoria Commission, Commissioner of Conservation, Commissioner of Economic Development, Commissioner of Economic Security, Commissioner of Finance, Commissioner of Health, Commissioner of Highways, [Commissioner of Mental Health,] Commissioner of Public Relations, Commissioner of Public Safety, Commissioner of Revenue, Commissioner of Banking, Commissioner of Insurance, Commissioner of Motor Transportation, Commissioner of Personnel, Commissioner of Welfare, $12,000;

(b) Administrator of Distilled Spirits Unit, Administrator of Malt Beverages Unit, Chief of the Department of Mines and Minerals, Commissioner of Aeronautics, Commissioner of Fish and Wildlife Resources, Commissioner of Industrial Relations, Director of the Kentucky Crippled Children's Commission, Manager of the Kentucky State Fair, Reviser of Statutes, Chairman of the Public Service Commission, $10,000;

(c) Members of the Public Service Commission of Kentucky, other than the chairman, $9,000; members of the Workmen's Compensation Board, the provisions of KRS 64.660 to the contrary notwithstanding, and heads of statutory departments and agencies other than those named in paragraphs (a) and (b) of this subsection, $7,500.

(3) The compensation payable out of the State Treasury to officers and employes subordinate to any office or position listed in subsection (2) of this section shall not exceed the maximum rate established pursuant to subsection (2) of this section for such office or position, except with respect to physicians as provided in KRS 64.655 and employes of the Public Service Commission of Kentucky whose compensation shall be fixed, within constitutional limits, by the Department of Personnel with the approval of the Governor as provided in subsection (1) of this section.

(4) The compensation payable out of the State Treasury to any subordinate officer or employe in any department, agency, board or commission of the state government not covered by subsection (3) of this section, except elective officers, their assistants and employes, shall not exceed $7,500 per annum, provided however that Doctors of Veterinary Science may be paid not to exceed $10,000 per annum.

(5) Nothing in this section shall preclude the allowance of maintenance to officers and employes of the state.

Section 14. Section 64.990 of the Kentucky Revised Statutes is amended to read as follows:

[(1) If any officer to whom the provisions of subsection (3) of KRS 64.040, subsection (2) of KRS 64.130, or subsection (2) of KRS 64.170 applies fails to send the monthly statement or the amount received to the Department of Finance, in the manner and within the time required or allowed by those sections, he shall be fined for each offense not less than $500.]

(1) [(2)] If any commissioner or receiver to whom KRS 64.270 applies fails to comply with KRS 64.270, he shall be fined not less than $100 nor more than $500, and, upon conviction, shall be removed from office.

(2) [(3)] If any officer to whom the provisions of [subsection (3) of KRS 64.040, subsection (2) of KRS 64.130, subsection (2) of

KRS 64.170, or] KRS 64.270 applies knowingly omits or fails to report, as required, a correct statement of the amount required to be reported by those sections, or the amount of his office expenses, or knowingly makes or subscribes any false statement concerning the same, he shall be imprisoned in the penitentiary not less than one nor more than five years, and the judgment of conviction shall declare the office vacant.

(3) [(4)] If any officer to whom KRS 64.050 applies, [or to whom KRS 64.050 is made applicable by KRS 64.130,] or his personal representative, trustee or committee, as the case may be, collects any fees, accounts or demands due him in his official capacity after the expiration of his term, or after he has resigned or died or vacated the office, or fails to deliver to his successor all the fees, claims and accounts due to him in his official capacity, he, or his personal representative, committee or trustee, as the case may be, shall be fined not less than $500 for each offense.

(4) [(5)] If any successor or collector mentiond in subsection (1) of KRS 65.050 fails to make any report or pay the money collected to the Department of Finance, as required by subsection (1) of KRS 64.050, he shall be fined not less than $500 for each offense. If he knowingly omits or fails to report a correct statement of all money received or collected, or knowingly makes or subscribes any false statement concerning the same, he shall be imprisoned in the penitentiary for not less than one nor more than five years.

(5) [(6)] If any deputy or personal representative issuing a fee-bill pursuant to KRS 64.420 knowingly makes a wrong charge, or in any respect issues an illegal fee-bill, he shall be subject to the same penalties as an officer issuing such fee-bill.

(6) [(7)] Every fee-bill containing one illegal charge, or which, in any respect, is not according to what is required by law, shall be void for the whole amount.

(7) [(8)] Any officer who splits up and divides his services so as to make two charges, when the law intends but one charge or fee for the whole service, or who knowingly makes an illegal charge, or issues an illegal fee-bill, or collects or attempts to collect his fees twice for the same services, or by any indirection collects or attempts to collect more for his services than is allowed by law, shall be guilty of a high misdemeanor and fined not less than $50 nor more than $200 and his conviction shall be prima facie evidence of his guilt in a proceeding to remove him from office.

Section 15. Section 66.300 of the Kentucky Revised Statutes is amended to read as follows:

(1) There shall be a County Debt Commission, consisting of the Governor, the State Treasurer, the Auditor of Public Accounts,

the Secretary of State, the Attorney-General, the Commissioner of Highways, the Commissioner of Finance, and the Commissioner of Revenue. The Governor shall be chairman. When the Governor is absent from Frankfort, the Lieutenant Governor shall be chairman, and when both the Governor and the Lieutenant Governor are absent from Frankfort, the Commissioner of Finance shall be chairman. The State Local Finance Officer shall serve as secretary of the commission. Each member shall serve without additional compensation, and each member except the Governor may, by advising the Governor in writing, authorize an executive officer of the Department of which he is head to act for him as a member of the commission.

(2) The chairman may, at his discretion, call meetings of the commission and designate the time and place of the meeting. The chairman and four other members of the commission shall constitute a quorum. The commission, by a majority vote of the quorum present, may adopt appropriate rules and regulations for the enforcement of KRS 66.280 to 66.390, hear and dispose of appeals from rulings of the State Local Finance Officer, and perform the other duties imposed upon it.

(3) The commission may hold public hearings on any question before it, or the chairman may appoint a committee of the commission or a referee to hold the hearing with instructions to report any findings or recommendations to the commission. The officials or taxpayers of a county or the creditors thereof having a material interest in any hearing before the commission shall, upon their demand, be heard.

(4) The commission shall study the problems of county finance in Kentucky and other states for the purpose of making recommendations to the *Legislative Research Commission* [Legislative Council] and the General Assembly. The commission may require the State Local Finance Officer to prepare studies on designated subjects, and to publish such studies as it directs, and to supply any available information and make such special inquiries or investigations as it deems necessary.

(5) Any county aggrieved by a ruling of the State Local Finance Officer may within fifteen days thereafter appeal to the commission. The decision of the commission shall be final except as otherwise provided in KRS 66.280 to 66.390.

Section 16. Section 68.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any outgoing county treasurer who fails for ten days to comply with any of the provisions of KRS 68.050 shall be fined not less than fifty nor more than five hundred dollars.

(2) The fiscal court and each member thereof that fails or refuses to comply with any of the provisions of KRS [68.070 or] 68.080 shall be fined fifty dollars for each offense.

(3) Any county officer or member of a fiscal court who violates any of the provisions of KRS 68.110(3) shall be fined not less than one hundred nor more than five hundred dollars, or imprisoned in the county jail for not less than one month nor more than twelve months, or both.

(4) Any county or state officer who knowingly violates any of the provisions of KRS 68.250(4), 68.270, 68.280, 68.310, 68.320, or 68.370 shall, in addition to the specific liabilities imposed for violating any of the provisions of those sections, be guilty of a misdemeanor and, upon conviction thereof, shall have his office declared vacant, and may also be fined not more than five hundred dollars or imprisoned for not more than ninety days, or both.

(5) Any county officer or member of a county budget commission who willfully violates any of the provisions of KRS 68.010, 68.020(3), [68.040,] 68.220 to 68.260, 68.290, 68.300, 68.330, 68.340 or 68.360 shall be fined not less than fifty or more than two hundred dollars.

Section 17. Section 70.100 of the Kentucky Revised Statutes is amended to read as follows:

Except as provided in subsection (1) of KRS 64.050 which is *hereby* made applicable to sheriffs [by KRS 64.130], for two years after the expiration of his term of office a sheriff and his deputies may collect his distrainable fee-bills, or those of any other officer, placed in his hands for collection during his term of office, and may make distress for the same within the time during which the fee retains its distrainable force, and, with his sureties, shall be liable to the person entitled to such fees.

Section 18. Section 98.150 of the Kentucky Revised Statutes is amended to read as follows:

When the commission decides that any building or improvement, or any distinct portion thereof, has been completed and is ready for actual use, the commission shall notify the department of the city that has charge of buildings or improvements of the character of the one completed, and such department shall thereafter have exclusive control of the building or improvement. Prior to that time the commission shall have sole supervision and control, notwithstanding the provisions of KRS 93.060 [,] *and* 98.010 [and 98.020].

Section 19. Section 118.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) The printing and delivery of ballots and cards of instruction to voters shall, in city elections, be paid for by the city. In all other elections, the printing of the ballots and cards of instruction for the voters in each county, and the delivery of them to the several voting precincts, shall be paid for by the county.

(2) The cost of all elections held in any county shall be allowed by the fiscal court and paid by the county treasurer except as otherwise provided by law.

(3) When the cost of any election has been allowed by the fiscal court and paid by the county treasurer, as provided in this section or in any other section requiring the county to pay the cost of an election, the county treasurer shall certify the amount of such expenses, indicating each item of expense separately, together with a statement of the number of precincts in the county, the date and kind of election to the Department of Finance. Upon receipt of such certification and upon being satisfied as to the correctness thereof, the Department of Finance shall issue its warrant upon the state treasurer in favor of the county treasurer for one half of the amount of such expenses but not exceeding in any event an amount equal to twenty dollars for each precinct in the county. All sums paid under this section shall be in addition to any sum paid by the state for ballot paper in elections.

(4) Each county shall acquire voting machines meeting the specifications of KRS 125.040 for each precinct in which such machines are not already in use, no later than the primary election in 1963; provided, however, that (a) counties containing a population of 21,000 or more shall acquire voting machines for each precinct therein prior to the primary election in 1961; (b) counties containing a population of over 13,000 and less than 21,000 shall acquire voting machines for each precinct therein prior to the primary election in 1962; and (c) counties containing a population of 13,000 or less shall acquire voting machines for each precinct therein prior to the primary election in 1963; provided, however, that nothing contained herein shall be construed to prevent a county from acquiring voting machines prior to the general election in November, 1960.

(5) In all counties where voting machines are used, the cost of elections shall be certified by the county treasurer to the Department of Finance in the same manner as set out in subsection (3) of this section, except that for each precinct where voting machines are used and so certified, the sum of fifty dollars shall be allowed to the county.

(6) Any county which fails to acquire voting machines in some manner prior to the time herein required shall no longer be entitled

to receive any of the payments provided for in subsections (3) and (5) of this section.

(7) [The proposed budget of any county shall be disapproved by the State Local Finance Officer if such budget fails to provide for the payment of rentals in connection with any outstanding voting machine revenue bonds issued for the benefit of the county by the State Property and Buildings Commission as authorized by statute;] *P*ayments to any county under the provisions of subsections *(3) and (5)* [(6)] of this section shall be terminated if and whenever it shall fail to renew a lease, *contract, or lease and option* [(contract, lease and option)] with the State Property and Buildings Commission executed in connection with the acquisition of voting machines by such commission for the use of such county; and such payments to any county shall be terminated whenever such county shall fail to pay any part of the rentals required for any effective period of such lease.

Section 20. Section 131.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who fails or refuses to obey a summons or order of the Kentucky Tax Commission made pursuant to KRS 131.100 shall be fined not less than twenty-five dollars nor more than five hundred dollars.

(2) In addition to the civil liability for interest and penalty provided in KRS 131.180, any person who willfully fails to file any tax report or return within the specified time, for which failure a specific criminal penalty is not provided, shall, for the first offense, be fined not more than five hundred dollars or imprisoned in the county jail for not more than six months, or both. For any subsequent offense he shall be fined not more than one thousand dollars or imprisoned in the county jail for not more than twelve months, or both.

(3) Any person who violates any of the provisions of KRS 131.190 shall be fined not more than five hundred dollars or imprisoned for not more than six months, or both, and shall be disqualified and removed from office or employment.

(4) Any person who willfully fails to comply with the rules and regulations promulgated by the Department of Revenue for the administration of delinquent tax collections shall be fined not less than twenty dollars nor more than one thousand dollars.

(5) Any person who fails to do any act required or does any act forbidden by KRS [131.200,] 131.210 or 131.220 shall be fined not less than ten dollars nor more than five hundred dollars.

Section 21. Section 132.330 of the Kentucky Revised Statutes is amended to read as follows:

The field agents, accountants and attorneys of the Department of Revenue shall cause to be listed for taxation all property omitted by the county tax commissioners, board of supervisors, department or any other assessing authority, for any year omitted. The agent, accountant or attorney proposing to have the property assessed shall file in the office of the county clerk of the county in which the property may be liable to assessment a statement containing a description and value of the property or corporate franchise proposed to be assessed, the name and place of residence of the owner, his agent or attorney, or person in possession of the property, if known, and the year the property was unassessed. The county clerk shall thereupon issue a summons against the owner, or person in possession of the property if the owner is unknown, to show cause before the next regular term of the county court that does not commence within five days after the service of the summons, why the property or corporate franchise shall not be assessed at the value named in the statement filed. No judgment shall be rendered against the alleged owner unless the statement filed contains a description of the property sought to be assessed that will enable the court to identify it. The summons shall be executed by the sheriff by delivering a copy thereof to the owner, or if he is not in the county to his agent, attorney or person in possession of the property. If the property is real property, and the owner is known but is absent from the state and has no attorney or agent in this state and no one is in possession of the property, the summons shall be served by posting it in a conspicuous place upon the property; if the property consists of tangible personal property the summons shall be placed in a conspicuous place where the property is located. In the case of tangible and intangible personal property, where the owner and his place of residence are unknown and no one has possession of the property, an action for assessment shall be instituted by filing the petition above mentioned and procuring constructive service against the owner under the provisions of *CR 4.05, 4.06, 4.07 and 4.08.* [§ § 58, 59 and 60 of the Civil Code.] In all of the above cases an attachment of the property omitted from assessment may be procured against the owner, at the time of the institution of the action or thereafter, and without the execution of a bond by the Commonwealth or its relator, by the representative of the Department of Revenue making an affidavit that the property described in the petition is subject to state, county, school or other taxing district tax, and is unassessed for any taxable year.

Section 22. Section 134.420 of the Kentucky Revised Statutes is amended to read as follows:

(1) The state and each county, city or other taxing district shall have a lien on the property assessed for taxes due them respectively for five years following the date when the taxes become

delinquent, and also on any real property owned by a delinquent taxpayer at the date when the sheriff offers the tax claims for sale as provided in KRS 134.430 and 134.440. This lien shall not be defeated by gift, devise, sale, alienation or any means whatever except by sale to a bona fide purchaser, but no purchase of property made before final settlement for taxes for a particular assessment date has been made by the sheriff shall preclude the lien covering such taxes. The lien shall include all interest, penalties, fees, commissions, charges and other expenses incurred by reason of delinquency in payment of the tax bill or in the process of collecting it, and shall have priority over any other obligation or liability for which the property is liable. The lien of any city, county or other taxing district shall be of equal rank with that of the state. When any proceeding is instituted to enforce the lien provided in this subsection, it shall continue in force until the matter is judicially terminated.

(2) The state shall have a lien of equal rank with the lien provided in subsection (1) of this section on all property of a taxpayer who owes any property tax, license tax, inheritance or estate tax, excise tax, income tax, or other tax, when such taxes are not included in or covered by the lien provided in subsection (1) of this section. This lien shall accrue at the time the liability becomes fixed. The Department of Revenue may file notice of the lien with the county clerk of any county where the taxpayer has property, giving the name and address of the taxpayer and the amount of the lien. The clerk shall file the notice in the same manner as notices of lis pendens are filed, and the file shall be designated Miscellaneous State Tax Liens. The notice, when filed, shall be constructive notice to all persons of the lien on the property having a legal situs in that county, except that nothing in this subsection shall be construed to alter or change in any way the law relative to the rights and duties of a holder in due course as provided in KRS 355 Art. 3 [Chapter 356,] or affect the rights of any person taking the property or a lien thereon for value without actual or constructive notice. The clerk may charge a fee of $1.25 for filing the notice of lien. The fee shall become a part of the lien as an added cost of the delinquent taxpayer to be paid by him as a part of the amount necessary to release the lien, and in no event shall the state be required to pay the fee.

Section 23. Section 136.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any county clerk who fails to comply with the provisions of subsection (2) of KRS 136.020 shall be fined not less than ten dollars nor more than twenty-five dollars.

(2) Any corporation that fails to pay its taxes, penalty and interest as provided in subsection (2) of KRS 136.050, after becoming delinquent, shall be fined fifty dollars for each day the

same remains unpaid, to be recovered by indictment or civil action, of which the Franklin Circuit Court shall have jurisdiction.

(3) Any public service corporation, or officer thereof, that willfully fails or refuses to make reports as required by KRS 136.130 and 136.140 shall be fined one thousand dollars, and fifty dollars for each day the reports are not made after March 31 of each year.

(4) Any superintendent of schools or county clerk who fails to report as required by KRS 136.190, or who makes a false report, shall be fined not less than fifty dollars nor more than one hundred dollars for each offense.

[(5) Any railroad corporation that fails to furnish reports as required by KRS 136.220 shall be fined not less than five hundred dollars nor more than ten thousand dollars.]

[(6) Any officer of a railroad corporation who knowingly makes false statements relative to the reports required by KRS 136.220 shall be confined in the penitentiary for not less than one nor more than five years.]

(5) [(7)] Any person who violates any of the provisions of subsection (2) of KRS 136.250 shall be fined not more than one thousand dollars. If the offender is an individual, he may in addition be confined in the county jail for not more than six months, or both so fined and imprisoned. If the offender is a corporation, the principal officer or the officer responsible for the violation, or both such officers, may be punished by such imprisonment. The fine shall be in addition to the penalties provided by subsection (3) of KRS 136.250.

(6) [(8)] Any company or association that fails or refuses to return the statement or pay the taxes required by KRS 136.330 or 136.340 shall be fined one thousand dollars for each offense.

(7) [(9)] Any insurance company that fails or refuses for thirty days to return the statement required by KRS 136.330 or 136.340, under the oath of some principal officer or general agent or manager of this state, and to pay the tax required by KRS 136.330 or 136.340, shall forfeit one hundred dollars for each offense. The Director of the Division of Insurance shall revoke the authority of the company or its agents to do business in this state, and shall publish the revocation in some newspaper of this state.

[(10) (Subsection (10) repealed, 1958, c. 126, § 12; effective June 19, 1958)]

(8) [(11)] Any person who violates subsection (3) of KRS 136.390 shall be fined not less than one hundred dollars nor more than five hundred dollars for each offense.

(9) [(12)] Where no other penalty is mentioned for failing to do an act required, or for doing an act forbidden by this chapter, the penalty shall be not less than ten dollars nor more than five hundred dollars.

(10) [(13)] The Franklin Circuit Court shall have jurisdiction of all prosecutions under subsections *(6), (7) and (8)* [, (9), (10 and 11)] of this section.

Section 24. Section 172.150 of the Kentucky Revised Statutes is amended to read as follows:

The clerk shall keep a record in which he shall charge each book to the person taking it from the library and he shall see that all books so taken are returned at the proper time. If any person fails to return a book taken out by him, he shall be liable for double the cost thereof and the clerk shall move for judgment in the name of the state against such person under the procedure set out in KRS *418.005, through 418.015 and CR 6.03(2).* [§ § 444 to 449 of the Civil Code.] The state may have attachment without bond for all such books.

Section 25. Section 179.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any county engineer who fails to comply with the provisions of subsection (3) of KRS 179.040 shall be fined five hundred dollars.

[(2) Any clerk, sheriff or other officer who fails to perform the duties imposed by subsection (2) of KRS 179.090 shall be fined five dollars for each failure.]

[(3) Any overseer who fails to perform the duties imposed by KRS 179.090 to 179.120 shall be fined not less than five nor more than twenty-five dollars.]

[(4) Any person who violates subsection (5) of KRS 179.120 shall be fined two dollars and fifty cents for each day he so fails to work.]

(2) [(5)] Any person who fails to perform the duties imposed by KRS 179.220 and 179.230 shall be fined not less than twenty nor more than fifty dollars.

(3) [(6)] Any county engineer who fails to publish the notices required by KRS 179.230 shall be fined not less than twenty-five dollars, nor more than one hundred dollars.

(4) [(7)] Any person who violates subsection (2) of KRS 179.240 shall be fined not less than ten nor more than fifty dollars.

(5) [(8)] Any railroad company that fails to comply with the provisions of KRS 179.290 within the specified time, shall be fined

not less than five hundred nor more than one thousand dollars for each failure.

(6) [(9)] Any county engineer who willfully fails to comply with the provisions of KRS 179.320 for sixty days after the fiscal court has ordered the guideboards to be erected, shall be fined not more than twenty-five dollars.

(7) [(10)] Any person who violates subsection (4) of KRS 179.330, shall be fined not less than ten nor more than one hundred dollars for each offense.

(8) [(11] Any owner of a toll bridge who fails to repair the bridge when ordered to do so under the provisions of KRS 179.360 shall be fined fifty dollars.

(9) [(12)] Any person who violates subsection (4) of KRS 179.370 shall be fined not less than five nor more than twenty-five dollars.

(10) [(13)] Any person who violates subsection (2) of KRS 179.380 shall be fined not less than ten nor more than fifty dollars.

(11) [(14)] Any county engineer who violates KRS 179.460 shall be fined not less than twenty nor more than one hundred dollars for each offense.

Section 26. Section 187.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person whose license or registration or nonresident's operating privilege has been suspended or revoked under KRS 187.290 to 187.620 and who, during such suspension or revocation drives any motor vehicle upon any highway or knowingly permits any motor vehicle owned by such person to be operated by another upon any highway, except as permitted under KRS 187.290 to 187.620, shall be fined not more than five hundred dollars or imprisoned not exceeding six months, or both.

(2) Any person willfully failing to return license or registration as required in KRS 187.590 shall be fined not more than five hundred dollars or imprisoned not to exceed thirty days, or both.

(3) Any person who shall forge or, without authority, sign any evidence of proof of financial responsibility, or who files or offers for filing any such notice or evidence of proof knowing or having reason to believe that it is forged or signed without authority, shall be fined not more than one thousand dollars or imprisoned not more than one year, or both.

(4) Any person who shall violate any provision of KRS 187.290 to 187.620 for which no penalty is otherwise provided shall be fined

not more than five hundred dollars or imprisoned not more than ninety days, or both.

[(5) Any person who violates any of the provisions of KRS 187.640 shall be fined not less than one hundred dollars nor more than one thousand dollars, or imprisonment in jail for not less than ten days nor more than thirty days, or both.]

(5) [(6)] Any person who shall violate the provisions of 187.650 shall be fined not more than one hundred dollars or imprisoned not more than thirty days, or both.

Section 27. Section 199.480 of the Kentucky Revised Statutes is amended to read as follows:

(1) The following persons shall be made parties defendant in an action for leave to adopt a child:

(a) The child to be adopted;

(b) The natural living parents of a child under twenty-one, if the child is legitimate, and its mother if the child is born out of wedlock, provided that no natural parent need be made a party defendant in the event the parental rights of such parent have been terminated under KRS 199.600 to 199.630;

(c) The child's guardian, if it *has* [have] one;

(d) If the care, custody and control of the child has been transferred to the department, any other individual, institution or agnecy, then the department, such other individual, institution or agency shall be named a party defendant.

(2) Each party defendant shall be brought before the court in the same manner as provided in other civil cases except that if the child to be adopted is under fourteen years of age and the department, individual, institution or agency has custody of such child, the service of process upon such child shall be had by serving a copy of the summons in such action upon the department, individual, institution or agency, any provision of *CR 4.04(3)* [Section 52 of the Civil Code of Practice] to the contrary notwithstanding.

(3) If the child's natural living parents, if the child is legitimate, or its mother if the child is born out of wedlock, are parties defendant, no guardian ad litem need be appointed to represent the child to be adopted.

Section 28. Section 229.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise, *"division"* ["department"] means the *Division of Business and Professional Regulation.* [Department of Business Regulation.]

Section 29. Section 229.020 of the Kentucky Revised Statutes is amended to read as follows:

Unless a license or permit has been granted by the *division* [department,] as provided in this chapter, no person shall:

(1) Engage in a prize-fight, or a fight for a bet or stakes;

(2) Act as a second in a fight, bear a challenge or the oral or written acceptance of a challenge for the fight, make up or aid in making up the stakes for the fight or assist in any way in the bringing on or conducting of the fight;

(3) Train or prepare, or assist another in training or preparing for such a fight in this or any other state;

(4) Be present at any such fight as a voluntary spectator;

(5) Voluntarily permit the use of any land owned, controlled or occupied by him for such a fight; or

(6) Engage in, or be voluntarily present at, a "pitched battle."

Section 30. Section 229.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) The *Division of Business and Professional Regulation* [Department of Business Regulation] shall have sole control and jurisdiction over all boxing and wrestling matches and exhibitions held by any person. No boxing or wrestling match or exhibition shall be held except by the license of the *division* [department] and in accordance with this chapter.

(2) The *division* [department] may in its discretion issue, and at its pleasure revoke, a license to hold a boxing or wrestling match or exhibition.

(3) The *division* [department] may issue subpoenas for the attendance of witnesses. Any person who disobeys a subpoena of the *division* [department] shall be subject to the same penalty as if the disobedience occurred in an action in the circuit court.

Section 31. Section 229.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every license shall be subject to such regulations as the *division* [department] prescribes.

(2) Every application for a license shall be in writing, shall be addressed to the *division* [department] and shall be verified by the applicant, if an individual, or by some officer, if a corporation or association, on whose behalf the application is made. It shall contain a recital of such facts as show the applicant entitled to receive a license and such other facts and recitals as the *division* [department] requires to be shown.

Section 32. Section 229.070 of the Kentucky Revised Statutes is amended to read as follows:

The license fee shall be three hundred dollars annually within fifteen miles of a city or cities having an aggregate population of two hundred thousand or more, two hundred dollars annually within fifteen miles of a city or cities having an aggregate population of more than seventy-five thousand and less than two hundred thousand, and one hundred dollars elsewhere. The fee shall be payable to the *division.* [department.]

Section 33. Section 229.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) The *division* [department] shall issue a permit, without the payment of any taxes or license, to any accredited college, university, school, Young Men's Christian Association or Young Men's Hebrew Association to hold boxing or wrestling matches or exhibitions upon a sufficient showing that the matches or exhibitions are to be held by and between bona fide students or members of such accredited colleges, universities, schools, Young Men's Christian Associations or Young Men's Hebrew Associations. The *division* [department] shall also issue a permit, without payment of taxes or license, to any organization to hold a boxing or wrestling match or exhibition under the sanction of the Kentucky Association of the Amateur Athletic Union of the United States. No boxer or wrestler who has received any fee, purse or other compensation shall be eligible to appear in any match or exhibition sponsored by such a college, university, school, Young Men's Christian Association, Young Men's Hebrew Association, or organization.

(2) Any regularly organized post of the American Legion, and any organization operating solely for charitable purposes from which no individual, partnership or corporation derives any monetary gain, may hold boxing or wrestling matches or exhibitions without the payment of the license fee prescribed by KRS 229.070. Any post of the American Legion or other organization holding matches or exhibitions under this section shall be subject to the provisions of KRS 229.090 and 229.100.

Section 34. Section 229.090 of the Kentucky Revised Statutes is amended to read as follows:

Before a license is granted to any person to hold a boxing or a wrestling match or exhibition, the applicant shall file with the *division* [department] a bond in the sum of two thousand dollars, to be approved as to form and the sufficiency of the sureties by the *division* [department,] conditioned for the payment of the tax imposed by KRS 229.100. Upon the approval of the bond, the *division* [department] shall issue to the applicant a certificate of filing and approval, which shall be filed by the applicant with the *division* [department,] with the application for the license. No license shall be issued until such certificate has been filed.

Section 35. Section 229.100 of the Kentucky Revised Statutes is amended to read as follows:

Every person licensed by the *division* [department], other than those holding a permit under subsection (1) of KRS 229.080, shall, within twenty-four hours after the termination of every match or exhibition, furnish to the *division* [department] a written report, verified by the person, if an individual, or by some officer, if a corporation or association, showing the number of tickets sold for the match or exhibition, the amount of the gross receipts and such other matters as the *division* [department] prescribes. He shall also, within the same period, pay to the *division* [department] a tax of five percent of the gross receipts from the sale of all tickets to the match or exhibition.

Section 36. Section 229.110 of the Kentucky Revised Statutes is amended to read as follows:

Whenever a person fails to make the report within the time prescribed by KRS 229.100, or whenever the report is unsatisfactory to the *division* [department], it may examine or cause to be examined the books and records of that person to ascertain and fix the total amount of its gross receipts for any match or exhibition and the amount of the tax due.

Section 37. Section 229.120 of the Kentucky Revised Statutes is amended to read as follows:

No boxing or wrestling match or exhibition shall be of more than twelve rounds in length except championship matches, which shall be limited in the discretion of the *division* [department].

Section 38. Section 229.130 of the Kentucky Revised Statutes is amended to read as follows:

Contestants in a boxing or wrestling match or exhibition shall be examined by a reputable licensed physician appointed by the *division* [department], and shall be in excellent health before participating in such a boxing or wrestling match or exhibition.

Section 39. Section 229.140 of the Kentucky Revised Statutes is amended to read as follows:

Decisions may be rendered in any boxing or wrestling match or exhibition, permitted by this chapter, in the discretion of the *division* [department] and by such method as it by rule prescribes.

Section 40. Section 229.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates subsection (1) of KRS 229.020 shall be confined in the penitentiary for not less than one nor more than five years.

(2) Any person who violates subsections (2), (3) or (5) of KRS 229.020 shall be fined five hundred dollars and imprisoned for three months.

(3) Any person who violates subsection (4) of KRS 229.020 shall be fined one hundred dollars.

(4) Any person who violates subsection (6) of KRS 229.020 shall be fined not less than ten dollars nor more than five hundred dollars.

(5) Any officer who willfully fails to execute the duties required of him by KRS 229.030 shall be fined five hundred dollars and forfeit his office.

(6) Any person who fails to pay the tax ascertained under KRS 229.110 to be due, together with the expenses incurred in making the examination under KRS 229.110, within twenty days after notice to the delinquent person of the amount fixed by the *division* [department], shall ipso facto forfeit his license and be disqualified from receiving a new license or a renewal of the license. In addition, he shall forfeit and pay into the State Treasury five hundred dollars.

(7) Any person who violates KRS 229.160 shall, for the first offense, be restrained for one year after the offense is committed from participating in any boxing or wrestling match or exhibition. For the second offense he shall be totally disqualified from participating in any boxing or wrestling match or exhibition.

(8) Any person who violates any of the provisions of this chapter for which a penalty is not expressly provided shall be fined not less than ten dollars nor more than one hundred dollars.

(9) Any person who violates any of the provisions of KRS 229.170 shall be fined not less than one hundred dollars, nor more than five hundred dollars, and shall be restrained for one year after the offense is committed from participating in any boxing or wrestling match or exhibition.

Section 41. Section 233.120 of the Kentucky Revised Statutes is amended to read as follows:

If the owner, agent or lessee of premises against which an injunction has been issued, appears in court, pays all costs of the proceeding and files a bond, with surety approved by the clerk and qualified as required by *KRS 554.185* [§ 648 of the Civil Code], in the full value of the premises as ascertained by the court, or by the judge in vacation, conditioned that he will immediately abate the house of prostitution and prevent it from being established or kept within a period of one year, the court, or the judge in vacation, may, if satisfied of his good faith, order the premises released to the owner, agent or lessee and the order of abatement cancelled so far as it relates to the premises. If the bond is given and costs are paid before judgment and the order of abatement, the action shall be terminated as to those premises. The release of the premises under this section shall not release it from any other judgment, lien or liability, to which it may be subject.

Section 42. Section 260.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who knowingly violates any of the provisions of KRS 260.040 to 260.120 shall, for the first offense, be fined not less than ten dollars, nor more than twenty-five dollars; for the second offense, he shall be fined not less than twenty-five dollars, nor more than fifty dollars; and for the third and each subsequent offense, he shall be fined not less than fifty dollars nor more than two hundred dollars. Whenever a violation is with respect to a lot or shipment consisting of fifty or more closed packages, there may be imposed in addition to the above penalties twenty-five cents for the first offense, fifty cents for the second offense and one dollar for each subsequent offense for each package in excess of fifty with respect to which the violation is committed.

(2) Any person who violates any of the provisions of KRS 260.130 to 260.160 shall, for the first offense, be fined not more than twenty-five dollars; for the second offense, he shall be fined not more than fifty dollars, and for the third and each succeeding offense he shall be fined not more than one hundred dollars.

[(3) (Subsection (3) repealed, 1956, c. 128, § 16; effective May 18, 1956)]

[(4) (Subsection (4) repealed, 1956, c. 128, § 16; effective May 18, 1956)]

[(5) Any owner or operator of a plant or facilities, the use of which requires registration or the issuance of a permit under the provisions of KRS 260.300 to 260.390, who fails to comply with the provisions of KRS 260.300 to 260.390 shall be guilty of a misdemeanor and upon conviction, shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned for not less than six months nor more than one year, or both.]

[(6) Repealed, 1960, c. 120, § 17; effective June 16, 1960.]

[(7) Repealed, 1960, c. 120, § 17; effective June 16, 1960.]

(3) [(8)] Any person who violates any of the provisions of the Egg Marketing Law shall be fined an amount not exceeding one hundred dollars for each offense. In a violation involving sales without a required license, each day of business operation shall constitute a separate offense.

Section 43. Section 271.145 of the Kentucky Revised Statutes is amended to read as follows:

(1) No corporation shall engage in business other than that expressly authorized by its articles of incorporation, or the law under which it was organized, nor shall it hold any real estate, except such as may be proper and necessary for carrying on its legitimate business, for a longer period than five years, under penalty of escheat.

(2) Any action to escheat real estate held contrary to this section shall be brought in the name of the state in the circuit court of the county in which any part of it is situated. Before any such action may be instituted, the Attorney-General or the Department of Revenue shall give written notice to the corporation that, unless the property is disposed of within two years after receipt of the notice, an action will be commenced to forfeit the real estate. No such action shall be brought before that time. The notice shall contain a brief description of the real estate, and shall be served as provided by *CR 5.02.* [Section 628 of the Civil Code.] The serving of the notice shall not invalidate or impair the corporation's title to the real estate, nor abridge its right to convey it before the action, nor affect the title of the person to whom conveyed.

Section 44. Section 271.225 of the Kentucky Revised Statutes is amended to read as follows:

The transfer of shares of stock may be regulated by the bylaws provided such bylaws are not inconsistent with the provisions of *KRS 355 Art. 8* [Chapter 274 of the Kentucky Revised Statutes].

Section 45. Section 271.325 of the Kentucky Revised Statutes is amended to read as follows:

(1) Two or more shareholders of any domestic corporation may, pursuant to an agreement in writing, transfer their shares to any person, or to a corporation having authority to act as trustee, for the purpose of vesting in such person or corporation, as trustee, all voting or other rights pertaining to such shares for a period not exceeding ten years, and upon the terms and conditions stated in the agreement.

(2) A duplicate original of such agreement shall be filed in the registered office of the corporation and a conformed copy thereof shall be open daily during business hours to the inspection of any shareholder or any depositor under said agreement, or the attorney of any shareholder or depositor.

(3) Any other shareholder may transfer his shares to the same trustee upon the terms and conditions stated in said agreement, and thereupon shall be bound by all of the provisions of said agreement.

(4) The certificates of shares so transferred shall be surrendered and cancelled, and new certificates therefor issued to the trustee.

The new certificates shall recite that they are issued pursuant to said agreement. In the entry of transfer on the books of the corporation it shall also be noted that the transfer is made pursuant to said agreement.

(5) Unless the agreement otherwise provides, the trustee shall execute and deliver to the transferors voting trust certificates. Such voting trust certificates shall be transferable in the same manner and with the same effect as certificates of stock under the provisions of *KRS 355 Art. 8.* [Chapter 274 of the Kentucky Revised Statutes.]

(6) The trustee shall possess all voting and other rights pertaining to the shares so transferred and registered in his name subject to the terms and conditions of, and for the period specified in said agreement.

(7) Unless otherwise provided in said agreement:

(a) The trustee may vote in person or by proxy;

(b) If there are two or more trustees the manner of voting shall be determined as provided in subsection (4) of KRS 271.315;

(c) Vacancies among the trustees shall be filled by the remaining trustees;

(d) A trustee shall incur no responsibility as trustee except for his own individual neglect or malfeasance.

Section 46. Section 273.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) No religious society may take or hold legal or equitable title to more than fifty acres of ground for a longer period than one year under penalty of escheat.

(2) Any action to escheat real estate held contrary to this section shall be brought in the name of the Commonwealth of Kentucky in the circuit court of the county in which any part of it is situated. Before any such action may be instituted, the Attorney-General or the Department of Revenue shall give written notice to the religious society taking or holding the title to the real estate that, unless the property is disposed of within one year after receipt of the notice, an action will be commenced to forfeit such real estate. No such action shall be brought before that time. The notice shall contain a brief description of the real estate and shall be served as provided by *CR 5.02, 5.04, and 17.03* [Sections 625 to 628 of the Civil Code].

The service of this notice shall not invalidate or impair the title of such religious society to the real estate and shall not abridge its rights to convey the real estate before the action is filed.

Section 47. Section 341.310 of the Kentucky Revised Statutes is amended to read as follows:

(1) A lien on a parity with state, county, and municipal ad valorem tax liens, and superior to the lien of any mortgage or other

encumbrance heretofore or hereafter created is hereby created in favor of the division upon all property of any subject employer from whom contributions, interest or penalties are or may hereafter become due. This lien shall be for a sum equal to the amount at any time due from each subject employer to the division on account of contributions, interest and penalties thereon. The lien shall commence from such time as the contributions, interest or penalties become due.

(2) The commissioner may file notice of this lien with the county court clerk of any county where the subject employer has property, giving the name of the subject employer, his address, and the amount of the lien. The clerk shall file same in the same manner as lis pendens are filed. The files shall be designated "Miscellaneous State Tax Liens." The notice, when so filed, shall be conclusive notice to all persons of the lien on the property having legal situs in that county, except that nothing in this chapter shall be construed to alter or change in any way the law relative to the rights and duties of a holder in due course as provided in *KRS 355 Art.* 3, [KRS Chapter 356,] or affect the rights of any person taking the property or a lien thereon for value without actual or constructive notice. The clerk shall be entitled to a fee of $1.25 for filing the lien, and said fee shall become a part of the lien as an added cost of the delinquent subject employer to be paid by him as a part of the amount necessary to release the lien, and in no event shall the Commonwealth, the department or the division be required to pay same.

(3) In addition and as an alternative to any other remedy, the commissioner may enforce the lien by petition in the name of this state to the circuit court of Franklin County, if the ministerial acts necessary to enforce the lien by the sale of the liened property or any part of it are performed by the appropriate officers of the circuit court of the county in which the property is situated under the direction of and reporting to the Franklin Circuit Court. The manner of enforcement shall be the same as that provided for the enforcement of other tax liens.

(4) (a) The commissioner may issue a certificate of release of lien upon the furnishing of a corporate surety bond satisfactory to the commissioner by such employing unit in the amount of one hundred and twenty-five percent of the sum of such contributions, interest and penalty, for which lien is claimed, conditioned upon the prompt payment of such contribution, interest and penalty, for which lien is claimed, conditioned upon the prompt payment of such contribution, together with interest and penalty thereon, by such employing unit to the division in accordance with the provisions set forth in such bond.

(b) The commissioner may issue a certificate of partial release of any part of the property subject to the lien if he finds that the fair market value of that part of such property remaining subject to the lien is at least equal to the amount of all other liens upon such property plus double the amount of the liability for contributions, interest and penalties thereon remaining unsatisfied.

(c) The commissioner may issue a certificate of partial release of any part of the property or individual piece of property subject to the lien if he finds that the interest of the Commonwealth in the property to be so released has no value.

Section 48. Section 393.190 of the Kentucky Revised Statutes is amended to read as follows:

On any action filed by a county attorney under the provisions of this chapter, the assistant Attorney-General provided for in KRS *15.105* [15.140] shall offer assistance and suggestions to the county attorney in the preparation of the petition or any pleadings, and revise and correct them as he considers necessary, subject to the ultimate approval of the commissioner, when he is required to sign them.

Section 49. Section 403.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) A divorce may be granted to either party for the following causes:

(a) Such impotency or malformation as prevents sexual intercourse; or

(b) Living apart without any cohabitation for five consecutive years next before application.

(2) A divorce may be granted to the party not in fault for the following causes:

(a) Abandonment for one year;

(b) Living in adultery;

(c) Condemnation for felony in or out of this state;

(d) Concealment from the other party of any loathsome disease existing at the time of marriage, or contracting such a disease afterward;

(e) Force, duress or fraud in obtaining the marriage; or

(f) Uniting with any religious society whose creed and rules require a renunciation of the marriage covenant, or forbid husband and wife from cohabiting.

(3) A divorce may be granted to the wife for the following causes:

(a) When not in like fault, habitual drunkenness on the part of the husband of not less than one year's duration, accompanied by a wasting of the husband's estate and without any suitable provision for the maintenance of the wife or children;

(b) Habitually behaving toward her, for not less than six months in such cruel and inhuman manner as to indicate a settled aversion to her or to destroy permanently her peace or happiness; or

(c) Such cruel beating or injury, or attempt at injury, of the wife as indicates an outrageous temper in the husband, or probable danger to her life, or of great bodily injury, from her remaining with him.

(4) A divorce may be granted to the husband for the following causes:

(a) Where the wife is pregnant by another man without the husband's knowledge at the time of marriage;

(b) When not in like fault, habitual drunkenness on the part of the wife of not less than one year's duration;

(c) Adultery by the wife, or such lewd, lascivious behavior on her part as proves her to be unchaste, without actual proof of an act of adultery;

(d) Habitually behaving toward him, for not less than six months in such cruel and inhuman manner as to indicate a settled aversion to him or to destroy permanently his peace or happiness; or

(e) Such cruel beating or injury, or attempt at injury, of the husband as indicates an outrageous temper in the wife, or probable danger to his life, or great bodily injury, from his remaining with her.

(5) (a) A divorce may be granted to the same spouse when either the husband or wife has become permanently and incurably insane; provided, that no divorce shall be granted under this subsection unless such permanently incurably insane person shall have been confined in an insane asylum, hospital or other similar institution for a period of not less than five successive years prior to the filing of the petition for divorce, whether such period of time shall have been prior to or subsequent to June 19, 1946, or partly both, nor unless the court shall find from the testimony of two or more physicians competent in psychiatry that such insanity, in their opinion, is permanently incurable. Except that when the insane spouse has been committed upon the testimony of two doctors to an insane asylum, hospital or other similar institution operated within this state by the Veterans Administration, Public Health Service or other Federal agency and has been by said agency transferred to its asylum, hospital or other facility in another state and has been kept at said place or places of transfer for more than five years and not restored to competency, said facts shall constitute sufficient proof of permanent insanity to authorize the granting of a divorce to the sane spouse.

(b) The petition shall be filed under oath, in the court having jurisdiction over divorce matters in either the county where the plaintiff resides or in the county where the institution is located in which the insane person is confined.

(c) Service of process under this subsection shall be made as provided in *CR 4.04(3)* [Section 53, Kentucky Civil Code of Practice], relating to service of process upon persons of unsound mind.

(d) In cases arising under this subsection the court shall possess all powers which courts of equity now have, or which may hereafter be conferred upon them, relative to alimony, and custody and control and support of infant children of the parties. Where the plaintiff is the husband the court may, when necessary and circumstances warrant, require the plaintiff to pay alimony, support or maintenance for the benefit of said defendant and make provisions for the reasonable expense for the burial of said defendant, or it may require the plaintiff to give bond to the state of Kentucky, conditioned upon the payment by the plaintiff for the care and maintenance of said defendant during the remainder of her life and necessary funeral expenses. The court may, upon notice, modify or revoke any orders or decrees relating to the custody of infant children and their support and the support and maintenance of the defendant.

Section 50. Sections 64.490, 95.990, 141.022, 164.286, and 187.630 of the Kentucky Revised Statutes are repealed.

Committee on Courts and Legal Procedure reported **SB 97** with the expression of opinion that the same should pass with Committee Amendments attached thereto.

Said Committee Amendments to **SB 97** are as follows:

Amend printed copy of Senate Bill 97 on page 9, line 10, by: inserting a period after the word "differential" and deleting the remaining language on line 10 and through line 28 on page 9 and continuing the deletion on page 10 lines 1 through line 20.

Amend printed copy of Senate Bill 97 on page 11, lines 18-21 by: striking out after the word "rate", the following language, "In addition, such contracts may provide for the payment of an attorney's reasonable fee where it is referred for collection to an attorney not a salaried employe of the holder of the contract, and for court costs and disbursements."

Amend printed copy of Senate Bill 97, page 14, lines 18 and 19 by: Inserting a period after the word "differential" and deleting the remaining language on line 18 and all of the language on line 19.

Amend printed copy of Senate Bill 97 on page 17, lines 19 through 28, by: Inserting a period after the word "thereunder" on line 19, page 17, and deleting the remaining language on line 19 through line 28 on page 17 and continuing the deletion on page 18, lines 1 through 10.

SB 97 read at length for the first time and ordered placed in the Calendar.

SB 97, AN ACT relating to Installment Sales Contracts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Goods" means all tangible chattels personal when purchased primarily for personal, family or household use and not for commercial, industrial or agricultural use, but not including motor vehicles as herein defined, money, things in action or intangible personal property other than merchandise certificates or coupons as herein described. The term includes such chattels which are furnished or used, at the sale of or subsequently, in the modernization, rehabilitation, repair, alteration, improvement or construction of real property as to become a part thereof whether or not severable therefrom. The term also includes merchandise certificates or coupons, issued by a retail seller, not redeemable in cash and to be used in their face amount in lieu of cash.

(2) "Services" means work, labor or services of any kind when purchased primarily for personal, family or household use and not for commercial or business use, but not including services for which the prices charged are required by law to be determined or approved by or to be filed, subject to approval or disapproval, with the United States or any state, or any department, division, agency, officer or official of either as in the case of transportation services.

(3) "Motor vehicle" means any automobile, mobile home, motorcycle, truck trailer, semitrailer, truck tractor and bus designed and used primarily to transport persons or property on a public highway, or any vehicle designed to run only on rails or tracks or in the air, excepting however, any boat trailer and any vehicle propelled or drawn exclusively by muscular power.

(4) "Retail buyer" or "buyer" means a person who buys or agrees to buy goods or obtain services or agrees to have services rendered or furnished, from a retail seller.

(5) "Retail seller" or "seller" means a person regularly and principally engaged in the business of selling goods to retail buyers.

(6) "Retail installment transaction" means any transaction in which a retail buyer purchases goods or services from a retail seller pursuant to a retail installment contract or a retail charge agreement, as defined in this Section, which provides for a time price differential, as defined in this Section, and under which the buyer agrees to pay the unpaid balance in one or more installments.

(7) "Retail installment contract" means an instrument, other than a retail charge agreement or an instrument reflecting a sale made pursuant thereto, entered into in this state evidencing a retail installment transaction. The term "Retail Installment Contract" may include a chattel mortgage, a Security Agreement, a conditional sale contract and a contract in the form of a bailment or a lease if the bailee or lessee contracts to pay as compensation for their use a sum substantially equivalent to or in excess of the value of the goods sold and if it is agreed that the bailee or lessee is bound to become, or for

no other or a merely nominal consideration, has the option of becoming the owner of the goods upon full compliance with the provisions of the bailment or lease.

(8) "Retail charge agreement" means an instrument prescribing the terms of retail installment transactions which may be made thereunder from time to time and under the terms of which a time price differential, as defined in this Section, is to be computed in relation to the buyer's unpaid balance from time to time.

(9) "Time price differential" however denominated or expressed, means the amount which is paid or payable for the privilege of purchasing goods or services to be paid for by the buyer in installments over a period of time. It does not include the amount, if any, charged for insurance premiums, delinquency charges, attorneys fees, court costs, or official fees.

(10) "Cash sale price" means the price stated in a retail installment contract or in a sales slip or other memorandum furnished by a retail seller to a retail buyer under or in connection with a retail charge agreement, for which the seller would have sold or furnished to the buyer and the buyer would have bought or obtained from the seller the goods or services which are the subject matter of a retail installment transaction, if the sale had been a sale for cash. The cash sale price may include any taxes and charges for delivery, installation, servicing, repairs, alterations or improvements.

(11) "Official fees" means the amount of the fees prescribed by law for filing, recording or otherwise perfecting, and releasing or satisfying, a retained title, lien or other security interest created by a retail installment transaction.

(12) "Time sale price" means the total of the cash sale price of the goods or services and the amount, if any, included for insurance, if a separate identified charge is made therefor, and the official fees and the time price differential.

(13) "Principal balance" means the cash sale price of the goods or services which are the subject matter of a retail installment contract plus the amounts, if any, included therein, if a separate identified charge is made therefor and stated in the contract, for insurance and official fees, less the amount of the buyer's down payment in money or goods or both.

(14) "Holder" means the retail seller of the goods or services under the retail installment contract or retail charge agreement or the assignee if the retail installment contract or the retail charge agreement or any indebtedness under either has been sold or otherwise transferred.

(15) "Person" means an individual, partnership, joint venture, corporation, association or any other group, however organized.

(16) Words of the masculine gender include the feminine and the neuter and, when the sense so indicates, words of the neuter gender may refer to any gender.

Section 2. (1) Each retail installment contract shall be in writing, dated, signed by the retail buyer, and completed as to all essential provisions, except as otherwise provided in subsection (8) of this Section.

(2) The printed or typed portion of the contract, other than instructions for completion, shall be in a size equal to at least eight point type. The contract shall be designated "Retail Installment Contract" and shall contain substantially the following notice printed or typed in a size equal to at least ten point bold type: "NOTICE TO THE BUYER. DO NOT SIGN THIS CONTRACT BEFORE YOU READ IT OR IF IT CONTAINS BLANK SPACES. YOU ARE ENTITLED TO A COPY OF THE CONTRACT YOU SIGN."

(3) The retail seller shall deliver to the retail buyer, or mail to him at his address shown on the retail installment contract, a copy of the contract as accepted by the seller. Until the seller does so, a buyer, who has not received delivery of the goods or been furnished or rendered the services, shall have the right to rescind his contract and to receive a refund of all payments made and return of all goods traded in to the seller on account of or in contemplation of the contract, or if such goods cannot be returned, the value thereof. Any acknowledgment by the buyer of delivery of a copy of the contract shall be in a size equal to at least ten point bold type and, if contained in the contract, shall appear directly above the buyer's signature.

(4) The retail installment contract shall contain the names of the seller and the buyer, the place of business of the seller, the residence or other address of the buyer as specified by the buyer and a description or identification of the goods sold or to be sold, or services furnished or rendered or to be furnished or rendered.

(5) The retail installment contract shall contain the following items:

(a) the cash sale price of the goods or services;

(b) the amount of the buyer's down payment, identifying the amounts paid in money and allowed for goods traded in;

(c) the difference between items (a) and (b);

(d) the aggregate amount, if any, included for insurance, if a separate identified charge is made therefor, specifying the type or types of insurance and the term or terms of coverage;

(e) the aggregate amount of official fees;

(f) the principal balance, which is the sum of items (c), (d) and (e);

(g) the amount of the time price differential as limited by subsection (9) of this Section; and

(h) the amount of the time balance owed by the buyer to the seller, which is the sum of items (f) and (g) and, except as otherwise provided in the next two sentences, the maximum number of installment payments required and the amount of each installment and the due date of each payment necessary to pay such balance. If installment payments other than the final payment are stated as a series of equal scheduled amounts and if the amount of the final installment payment does not substantially exceed the scheduled amount of each preceding installment payment, the maximum number of payments and the amount and due date of each payment need not be separately stated and the amount of the scheduled final installment payment may be stated as the remaining unpaid balance. The due date of the first installment payment may be fixed by a day or date or may be fixed by reference to the date of the contract or to the time of delivery or installation.

The above items need not be stated in the sequence or order set forth; additional items may be included to explain the computations made in determining the amount to be paid by the buyer.

(6) A retail installment contract need not be contained in a single document. If the contract is contained in more than one document, one such document shall be an original document signed by the retail buyer, stated to be applicable to purchases of goods or services to be made by the retail buyer from time to time. In such case such document, together with the sales slip, account book or other written statement relating to each purchase, shall set forth all of the information required by this Section and shall constitute the retail installment contract for each purchase. On each succeeding purchase pursuant to such original document, the sales slip, account book or other written statement may at the option of the seller constitute the memorandum required by subsection (13) of this Section.

(7) (a) Retail installment contracts negotiated and entered into by mail without personal solicitation by salesmen or other representatives of the seller and based upon a catalog of the seller, or other printed solicitation of business, if such catalog or other printed solicitation clearly sets forth the cash sale prices and other terms of sales to be made through such medium, may be made as provided in this subsection. The provisions of this Act with respect to retail installment contracts shall be applicable to such sales, except that:

1. the designation and notice provisions of subsection (2) of this Section shall not be applicable to such contract; and

2. the retail installment contract, when completed by the buyer, need not contain the items required by subsection (5) of this Section.

(b) When the contract is received from the retail buyer, the seller shall prepare a written memorandum containing all of the information required by subsection (5) of this Section to be included in a retail installment contract. In lieu of delivering a copy of the contract to the retail buyer as provided in subsection (3) of this Section, the seller shall deliver to the buyer a copy of such memorandum prior to the due date of the first installment payable under the contract.

(8) A retail installment contract shall not be signed by any party thereto when it contains blank spaces of items which are essential provisions of the transaction; provided, however, if delivery of the goods is not made at the time of the execution of the contract, the identifying numbers or marks of the goods or similar information and the due date of the first installment may be inserted by the seller in the seller's counterpart of the contract after it has been signed by the buyer. The buyer's acknowledgement, conforming to the requirements of this section, of delivery of a copy of the contract shall be presumptive proof or, in the case of a holder of the contract without knowledge to the contrary when he purchases it, conclusive proof of such delivery and of compliance with this subsection in any action or proceeding.

(9) (a) Notwithstanding the provisions of any other law, a retail installment contract payable in substantially equal successive monthly installments beginning one month from the date of the contract may provide for, and the seller or holder may then charge, collect and receive a time price differential which shall not exceed an amount determined in accordance with the following schedule:

1. On so much of the principal balance as does not exceed three hundred dollars—fifteen dollars per one hundred dollars per year.

2. On so much of the principal balance as exceeds three hundred dollars—twelve dollars per one hundred dollars per year on that portion over three hundred dollars, up to one thousand dollars.

3. On so much of the principal balance as exceeds one thousand dollars—ten dollars per one hundred dollars per year on that portion over one thousand dollars.

(b) Such time price differential shall be computed on the principal balance of the retail installment contract from the date of the contract until the due date of the final installment, notwithstanding that the balance thereof is payable in installments.

(c) If the retail installment contract is payable in successive monthly installments substantially equal in amount beginning one month from the date of the contract for a period less or greater than a year, or for amounts less or greater than one hundred dollars, the amount of the maximum time price differential set forth in the foregoing schedule shall be decreased or increased proportionately. A fractional monthly period of ten days or more may be considered a full month.

(d) If a retail installment contract is payable other than in substantially equal successive monthly installments, as where payable in irregular or unequal installments either in amount of periods thereof, or in regular installments followed by or interspersed with an irregular, unequal or larger installment or installments, or if the first installment is not payable one month from the date of the contract, the time price differential may not exceed an amount which, having due regard for the schedule of installment payments, will provide the same yield as if the contract were payable in substantially equal successive monthly installments beginning one month from the date of the contract.

(e) A time price differential of fifteen dollars may be charged, collected and received on any retail installment contract, notwithstanding any other provisions of this section.

(10) Notwithstanding the provisions of any retail installment contract to the contrary, any buyer may prepay in full the unpaid time balance thereof at any time before its final due date and, if he does so, shall receive a refund credit thereon for such prepayment. The amount of such refund credit shall represent at least as great a proportion of the original time price differential, after deducting therefrom a maximum of ten dollars, as (i) the sum of the monthly unpaid balances under the schedule of payments in the contract beginning as of the date after such prepayment which is the next succeeding monthly anniversary date of the due date of the first installment under the contract, or, if the prepayment is prior to the due date of the first installment under the contract, then as of the date after such prepayment which is the next succeeding monthly anniversary date of the date of the contract, bears to (ii) the sum of all the monthly unpaid balances under the schedule of installment payments in the contract. Where the amount of refund credit is less than one dollar, no refund credit need be made.

(11) (a) The holder of any retail installment contract, if it so provides, may collect a delinquency and collection charge on each installment in default for a period of more than ten days in the amount not to exceed five percent of each installment or five dollars, whichever is less, "provided that a minimum charge of one dollar may be made," or, in lieu thereof, interest after maturity on each such installment not to exceed the highest lawful contract rate. In addition, such contracts may provide for the payment of an attorney's reasonable fee where it is referred for collection to an attorney not a salaried employe of the holder of the contract, and for court costs and disbursements.

(b) The holder of a retail installment contract upon request by the buyer, may agree to an amendment thereto to extend or defer the schedule due date of all or any part of any installment or installments or to renew, restate or reschedule the unpaid balance of the contract, and may collect for same a refinance charge not to exceed an amount ascertained as provided under either of the following optional methods of computation:

Option I. The refinance charge may be computed on the amount of the scheduled installment or installments extended or deferred for the period of extension or deferment at the rate of one and one-half percent per month; provided that a minimum deferment charge of one dollar shall be permitted. Such amendment may also include payment by the buyer of the additional cost to the holder of premiums for continuing in force any insurance coverages provided for in the contract until the end of such deferral period, and of any additional necessary official fees.

Option II. The refinance charge may be computed as follows: The sum of the unpaid balance as of the refinancing date and the cost for any insurance and other benefits incidental to the refinancing, and for any additional necessary official fees and any accrued delinquency and collection charges, after deducting a refund credit as for prepayment pursuant to subsection (10) of this section, shall constitute a principal balance for such refinancing on which the refinance charge may be computed for the term of the refinanced contract at the applicable rate for finance charges as provided in subsection (9) of this section. The provisions of this Act relating to minimum charges under subparagraph (e) of subsection (9) and acquisition costs under the refund schedule in subsection (10) shall not apply in calculating refinance charges.

(c) The amendment to the contract must be confirmed in a writing signed by the holder. The writing shall set forth the terms of the amendment and the new due dates and amounts of the installments, and shall either be delivered to the buyer or mailed to him at his address as shown on the contract. Said writing together with the original contract and any previous amendments thereto shall constitute the retail installment contract.

(12) Upon written request of the buyer, the holder of a retail installment contract shall give or forward to the buyer a written statement of the dates and amounts of payments and the total amount unpaid under the contract. A buyer shall be given a written receipt for any payment when made in cash. Such a statement or receipt shall be given the buyer once without charge; if any additional statement is requested by the buyer, it shall be supplied by the holder at a charge not in excess of one dollar for each additional statement or receipt so supplied.

(13) (a) If, in a retail installment transaction, a retail buyer makes any subsequent purchases of goods or services from a retail seller from whom he has previously purchased goods or services under one or more retail installment contracts, and the amounts under such previous contract or contracts have not been fully paid, the subse-

quent purchases may, at the seller's option, be included in and consolidated with one or more of the previous contract or contracts. Each subsequent purchase shall be a separate retail installment contract under this Act, notwithstanding that the same may be included in and consolidated with one or more of such previous contract or contracts. All the provisions of this Act with respect to retail installment contracts shall be applicable to such subsequent purchases except as hereinafter stated in this subsection.

(b) In the event of such consolidation, in lieu of the buyer's executing a retail installment contract respecting each subsequent purchase, as provided in this section, it shall be sufficient if the seller shall prepare a written memorandum of each subsequent purchase, in which case the provisions of subsections (1), (2), (3) and (4) of this section shall not be applicable. Unless previously furnished in writing to the buyer by the seller, by sales slip, memoranda or otherwise, such memorandum shall set forth with respect to each subsequent purchase the following:

1. the cash sale price of the goods or services;

2. the amount of the buyer's down payment, identifying the amounts paid in money and allowed for goods traded in;

3. the difference between items 1. and 2.;

4. the aggregate amount, if any, included for insurance, if a separate identified charge is made therefor, specifying the type or types of insurance and the term or terms of coverage;

5. the aggregate amount of official fees;

6. the principal balance, which is the sum of items 3., 4. and 5.;

7. the amount or rate of the time price differential as limited by subsection (9) of this section;

8. the amount of the time balance owed by the buyer to the seller, which is the sum of items 6. and 7.;

9. the outstanding balance of the previous contract or contracts;

10. the consolidated time balance, which is the sum of items 8. and 9.;

11. the revised installments applicable to the consolidated time balance, if any;

12. the seller shall deliver to the buyer a copy of such memorandum prior to the due date of the first installment of such consolidated contract.

(c) When such subsequent purchases are made, if the seller has retained title or taken a lien or other security interest in any of the goods purchased under any one of the contracts included in the consolidation.

(d) The entire amount of all payments made prior to such subsequent purchases shall be deemed to have been applied on the previous purchases.

(e) Each payment after such subsequent purchases made on this consolidated contract shall be deemed to have been allocated to all of the various purchases in the same ratio as the original cash sale prices of the various purchases bear to the total of all.

(f) Where the amount of each installment payment is increased in connection with such subsequent purchases, at the seller's option, the subsequent payments may be deemed to be allocated as follows: an amount equal to the original periodic payment to the previous purchase, the balance to the subsequent purchase. However, the amount of any down payment on the subsequent purchase shall be allocated in its entirety to such subsequent purchase.

(g) The provisions of subparagraphs (c), (d), (e) and (f) shall not apply to cases where such previous and subsequent purchases involve equipment, parts, or other goods attached or affixed to goods previously purchased and not fully paid, or to services in connection therewith rendered by the seller at the buyer's request.

Section 3. (1) Each retail charge agreement shall be in writing and signed by the buyer. A copy of any such agreement executed on or after the effective date of this Act shall be delivered or mailed to the buyer by the seller prior to the date on which the first payment is due thereunder. Any acknowledgment by the buyer of delivery of a copy of the agreement contained in the body thereof shall be in a size equal to at least ten point bold type and shall appear directly above the buyer's signature. No agreement executed on or after the effective date of this Act shall be signed by the buyer when it contains blank spaces to be filled in after it has been signed. The buyer's acknowledgment, conforming to the requirements of this subsection, of delivery of a copy of an agreement, shall be presumptive proof, in any action or proceeding, of such delivery and that the agreement, when signed, did not contain any blank spaces as herein provided. All retail charge agreements executed on or after the effective date of this Act shall state the maximum amount or rate of the time price differential to be charged and paid pursuant thereto. Any such agreement shall contain substantially the following notice printed or typed in a size equal to at least ten point bold type: "NOTICE TO THE BUYER—DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS BLANK SPACES. YOU ARE ENTITLED TO A COPY OF THE AGREEMENT YOU SIGN."

(2) The seller shall promptly supply the buyer under the retail charge agreement with a statement as of the end of each monthly period, which need not be a calendar month, or other regular period agreed upon in writing by the seller and the buyer, in which there is

any unpaid balance thereunder, which statement shall recite the following:

(a) The unpaid balance under the retail charge agreement at the beginning and at the end of the period;

(b) Unless otherwise furnished by the seller to the buyer by sales slip, memorandum, or otherwise, a description or identification of the goods or services purchased during the period, the cash sale price and the date of each purchase;

(c) The payments made by the buyer to the seller and any other credits to the buyer during the period;

(d) The amount, if any, of any time price differential for such period; and

(e) A legend to the effect that the buyer may at any time pay his total unpaid balance or any part thereof.

(3) A retail charge agreement may provide for, and the seller or holder may then, notwithstanding the provisions of any other law, charge, collect and receive, in addition to the cash price, a time price differential for the privilege of paying in installments thereunder, which shall not exceed twenty cents per ten dollars per month computed on all amounts unpaid thereunder from month to month, which need not be a calendar month, or other regular period; however, if the regular period is other than such monthly period or if the unpaid amount is less than or greater than ten dollars, such time price differential shall be computed proportionately. Such time price differential may be computed for all unpaid balances within a range of not in excess of ten dollars on the basis of the median amount within such range if as so computed such time price differential is applied to all unpaid balances within such range. If the amount of such time price differential otherwise permitted hereunder shall be less than ten dollars for any such month or longer regular period, seventy cents may nevertheless be charged, received and collected as such time price differential for any such month or longer period. In addition, a retail charge agreement may provide for the payment of an attorney's reasonable fee where it is referred for collection to an attorney not a salaried employe of the holder of the retail charge agreement or any unpaid balance thereunder, and for court costs and disbursements.

Section 4. Notwithstanding the provisions of any other law:

(1) An assignee may purchase or acquire or agree to purchase or acquire any retail installment contract or retail charge agreement or any indebtedness under either from a seller on such terms and conditions and for such price as may be mutually agreed upon;

(2) Filing of the assignment, notice to the buyer of the assignment and any requirement that the seller be deprived of dominion over payments upon a retail installment contract or retail charge agree-

ment, or over the goods if returned to or repossessed by the seller, shall not be necessary to the validity of a written assignment of the retail installment contract or retail charge agreement or any indebtedness under either as against creditors, subsequent purchasers, pledgees, mortgagees and lien claimants of the seller; and

(3) Unless the buyer has notice of the assignment of his retail installment contract, retail charge agreement or any indebtedness under either, payment therefor made by the buyer to the holder last known to him shall be binding upon all subsequent holders.

Section 5. No act or agreement of the retail buyer before or at the time of the making of a retail installment contract, retail charge agreement or purchases thereunder shall constitute a valid waiver of any of the provisions of this Act or of any remedies granted to the buyer by law.

Section 6. (1) Any person who shall wilfully and intentionally violate any provision of this Act shall be guilty of a misdemeanor and upon conviction shall be punished by a fine not exceeding five hundred dollars or by imprisonment for not more than six months, or both.

(2) Any person who violates any provision of this Act except as a result of an accidental or bona fide error shall be barred from the recovery of any time price differential, or any delinquency or collection charge under or in connection with the related retail installment contract or retail charge agreement; but the holder may nevertheless recover from the buyer an amount equal to the cash price of the goods or services and the cost to the seller or holder of any insurance included in the transaction.

(3) Notwithstanding the provisions of this section, any failure, other than a wilful and intentional failure, to comply with any provision of this Act may be corrected within ten days after the holder is notified thereof in writing by the buyer and, if so corrected, neither the seller nor the holder is subject to any penalty under this section.

Section 7. The provisions of this Act shall not invalidate or make unlawful retail installment contracts or retail charge agreements executed prior to the effective date hereof.

Section 8. This Act shall take effect January 1, 1963.

Committee on Revenue and Taxation reported **SB 66** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 66, AN ACT relating to property taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 132.200 of the Kentucky Revised Statutes is amended to read as follows:

All property subject to taxation for state purposes shall also be subject to taxation in the county, city, school or other taxing district in which it has a taxable situs, except the classes of property described in KRS 132.030 and 132.050, and the following classes of property, which shall be subject to taxation for state purposes only:

(1) Farm implements and farm machinery owned by a person actually engaged in farming and used in his farm operation;

(2) Livestock and domestic fowls;

(3) Capital stock of building and loan associations;

(4) Machinery and products in course of manufacture, of individuals or corporations actually engaged in manufacturing, and their raw material actually on hand at their plants for the purpose of manufacture. Individuals or corporations actually engaged in the printing, publication and distribution of a newspaper or operating a job printing plant, *and equipment and machinery used by radio and television stations to manufacture, create, amplify and broadcast electromagnetic and electrostatic signals* shall be deemed to be actually engaged in manufacturing;

(5) Unmanufactured agricultural products (except that the same shall be exempt from taxation for state purposes to the extent of the value, or amount, of any unpaid nonrecourse loan or loans thereon granted by the United States Government or any agency thereof), and except that cities and counties may each impose an ad valorem tax of not exceeding five cents on each one hundred dollars of the fair cash value of all unmanufactured tobacco, and not exceeding fifteen cents on each one hundred dollars of the fair cash value of all other unmanufactured agricultural products, subject to taxation within their limits that are not actually on hand at the plants of manufacturing concerns for the purpose of manufacture, nor in the hands of the producer or any agent of the producer to whom the products have been conveyed or assigned for the purpose of sale;

(6) Money in hand, notes, bonds, accounts and other credits, whether secured by mortgage, pledge or otherwise, or unsecured, and shares of stock, except that nothing in this section shall forbid local taxation of franchises or corporations or of the shares of banks, trust companies or combined banks and trust companies doing business in this state, or domestic life insurance companies.

Committee on Rural Roads and Highways reported **SB 87**, **SB 89**, **SB 156** with the expression of opinion that same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 87, AN ACT relating to County Roads and Bridges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1 of Section 179.010 of the Kentucky Revised Statutes is amended to read as follows:

Section (1). "County roads and bridges" are all public roads and bridges outside of incorporated cities except primary roads and federal parkways and bridges thereon, *including right of way to such roads and bridges, including right of way to such roads and driveways used by the public as means of ingress and egress to and from churches, cemeteries and public schools as may have been accepted as donations in fee by the several counties.*

Section (2). All counties may accept donations in fee to roads and driveways used by the public in connection with churches, cemeteries and public school buildings.

After such acceptance by any county such roads and driveways shall become a part of the county road system and may be constructed, reconstructed and maintained in accordance with existing law.

SB 89, AN ACT relating to payment for right of way.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 177.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as otherwise provided in this section and in KRS 177.070, all cost of acquiring any necessary land or right of way for primary road purposes and all damages incurred shall be paid by the county.

(2) Temporary rights of way and private surfaced roads, other than those owned by the county, which are acquired for primary road purposes shall be paid for by the state.

(3) When a highway has been located by the department and a right of way procured by the county and accepted by the department, any additional right of way required by the department as a result of a change in the highway may be acquired by the department and shall be paid for by the state unless it is a road owned by the county.

(4) The cost of acquiring right of way for initial construction of industrial access roads, state park access roads and other roads the construction of which would best serve the interests of the Commonwealth in promoting economic and industrial growth shall be paid by the state.

SB 156, AN ACT relating to secondary and rural roads and bridges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 177.360 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Highways shall allocate the funds set apart for construction, reconstruction and maintenance of secondary and rural highways by the provisions of KRS 138.220 as follows:

(a) One-fifth shall be apportioned equally among the one hundred twenty counties.

(b) One-fifth shall be apportioned among the one hundred twenty counties on the basis of the ratio which the rural population of each county bears to the total rural population of the state. Rural population as used here means the population in a county outside cities, towns, and urban areas having a population of twenty-five hundred or more as shown by the most recent decennial census of the United States Bureau of the Census and county population shall be determined by the most recent decennial census of the United States Bureau of the Census.

(c) One-fifth shall be apportioned among the one hundred twenty counties on the basis of the ratio that the public road mileage outside of cities, towns and urban areas having a population of twenty-five hundred or more bears to the total mileage of such roads for the entire state.

(d) Two-fifths shall be apportioned among the one hundred twenty counties on the basis of the ratio which the square mile rural area of the county, bears to the total square mile rural area of the state. Rural area as used here means that area of the county outside of cities, towns, and urban areas having a population of twenty-five hundred or more and shown by the most recent decennial census of United States Bureau of Census.

(2) A pro rata share of the allocation to each county shall be deducted at the beginning of each fiscal year and adjusted quarterly to cover the maintenance, administrative, engineering and other costs of the program.

(3) Of the total amount apportioned by the provisions of this Act, a sum not exceeding six percent may be deducted and placed by the Department of Highways in a special emergency account to be expended at the direction of the Commissioner of Highways to meet unforseen emergencies on rural and secondary roads and bridges.

(4) Apportionments as required by the provisions of this Act shall be made on the basis of revenue estimates supplied by the Department of Revenue and adjusted quarterly in accordance with the most recent revision of the estimates by the Department of Revenue.

[The Department of Highways shall continuously study the needs of the various counties of Kentucky for secondary and rural roads and shall, on the basis of experience, studies, research and surveys, prepare a scientific formula for the allocation of the funds provided for in KRS 138.220 between the various counties of the

Commonwealth of Kentucky for the construction, reconstruction and maintenance of secondary and rural roads.]

Committee on Education reported **HB 145** with the expression of opinion that the same should pass with Committee Amendment attached thereto.

Committee Amendment to **HB 145** is as follows:

Amend printed copy of House Bill 145 on page 10, lines 12-16, by:

Deleting the following:

"the corporation leasing the building shall have as of the date of the lease, outstanding bonds, debentures, or equipment trust certificates which have been rated within the three highest classifications established by one or more major rating services."

and

inserting in lieu thereof the following:

1. The common stock of the leasing corporation shall be listed on either the New York Stock Exchange or the American Stock Exchange.

2. In each of the last three reporting years prior to the issuance of the bonds the income before taxes of the leasing corporation must have been equal to at least twice the maximum lease requirements under the lease agreement.

3. The current assets of the leasing corporation at the end of each of the three last reporting years prior to the issuance of the bonds must have been at least 150 percent of the current liabilities at those given periods.

4. The net worth of the leasing corporation at the end of the last reporting period must be at least twice the amount of the proposed bond issue under the lease agreement.

5. The net working capital of the leasing corporation at the end of the most recent reporting year must have been at least fifteen million dollars.

HB 145 read at length for the first time and ordered placed in the Calendar.

HB 145, AN ACT relating to the Teachers' Retirement System, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 161.220 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 161.220 to 161.710, unless the context otherwise requires:

(1) "Retirement system" means the arrangement provided for in KRS 161.230 to 161.710 for the payment of retirement allowances or disability allowances to teachers.

(2) "Retirement allowance" means the amount annually payable during the course of his natural life to a member who has been retired by reason of superannuation.

(3) "Disability allowance" means the amount annually payable before the deductions authorized in KRS 161.670 during the course of his natural life to a member who has been retired by reason of disability before reaching the age of sixty years.

(4) "Teacher" means:

(a) Any full-time regular or special teacher, principal, supervisor, superintendent, assistant superintendent, librarian, attendance officer or other full-time member of the teaching or professional staff engaged in the service of the public elementary and secondary schools for whom certification is required as a condition of employment;

(b) All members of the instructional and administrative staffs of Eastern Kentucky State Teachers College, Western Kentucky State Teachers College, Murray State Teachers College, Morehead State Teachers College, Kentucky School for the Deaf, Kentucky School for the Blind, Kentucky State College for Negroes, West Kentucky Vocational Training School and Mayo State Vocational School who are regularly employed by a board of education, board of regents or board of trustees for a full term for which school is maintained;

(c) The Superintendent of Public Instruction and the division heads and other professional staff members of the State Department of Education; [appointed in accordance with KRS 156.140; and]

(d) Any member of a local retirement system who became a member of the state retirement system according to the provisions of *Acts*, 1938, 1st ex. s., c. 1, paragraph 49; *and*

(e) Such members of the administrative staff of the Teachers' Retirement System of the State of Kentucky as the Board of Trustees may designate by regulation.

(5) "Present teacher" means any teacher who was a teacher on or before July 1, 1940, and became a member of the retirement system created by *Acts*, 1938, 1st ex. s., c. 1, on the date of the inauguration of the system or within one year after that date, and any teacher who was a member of a local teacher retirement system in the public elementary or secondary schools of the state on or before July 1, 1940, and continued to be a member of such system until he, with the membership of the local retirement system, became a member of the state retirement system.

(6) "New teacher" means any teacher not a present teacher.

(7) "Prior-service" means the number of years during which the member was a teacher in Kentucky prior to July 1, 1941, as allowed in his prior service certificate, except that not more than thirty years' prior service shall be allowed or credited to any teacher.

(8) "Subsequent service" means the number of years during which the teacher is a member of the state retirement system after July 1, 1941.

(9) "Prior service certificate" means the certificate issued by the Board of Trustees of the retirement system designating the amount of accredited service, not to exceed thirty years, of a member prior to July 1, 1941.

(10) "Annual salary" means the average annual salary which the member has received for his service as a teacher in the public schools of Kentucky for five years or for as many years if less than five, prior to July 1, 1941, except that any salary which exceeds two thousand dollars shall be considered two thousand dollars; and during the five years or for as many years if less than five years, immediately preceding the following dates herein, except that any salary which exceeds two thousand dollars in any year prior to July 1, 1946, shall be considered two thousand dollars and any salary for any year subsequent to July 1, 1946, and prior to July 1, 1955, which exceeds two thousand four hundred dollars shall be considered two thousand four hundred dollars and any salary subsequent to July 1, 1955, shall be the actual arithmetic average salary for any five consecutive years which will provide the highest average.

(11) "Annual compensation" after July 1, 1955, means the contractual salary and additions thereto received by a member as compensation for his services as a teacher in the public schools of Kentucky during a given fiscal year before any deduction.

(12) "Age of retirement" means the age attained at the last birthday of the member preceding the date of retirement.

(13) "Age of entrance" means the age attained at the last birthday of any member at the time of the establishment of the retirement system, if the member was a teacher subject to membership in the system at that time. Otherwise it means the age attained at the last birthday of any member at the time he first becomes a member of the retirement system. Any birthday occurring on February 29 shall be considered as occurring on February 28.

(14) "Regular interest" means interest at three percent per annum compounded annually.

(15) "Accumulated contributions" means the contributions of a member plus regular interest.

(16) "Annuitant" means a person who receives a retirement allowance or a disability allowance.

(17) "Local retirement system" means any teacher retirement or annuity system created in any public school district in Kentucky in accordance with the laws of Kentucky.

(18) "Fiscal year" means the twelve-month period from July 1 to June 30.

(19) "Public schools" means the schools and other institutions mentioned in subsection (4) of this section.

(20) "Dependent" as used in KRS 161.520, means a beneficiary of a survivors benefit who was receiving, at the time of death of the member, at least one-half of the support from the member for maintenance, including board, lodging, medical care and like costs.

Section 2. Section 161.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) *The Board of Trustees shall elect from its membership a chairman and a vice chairman on an annual basis as prescribed by the rules and regulations of the Board of Trustees. It shall appoint, or contract for the services of an Executive Secretary and fix his compensation without limitation of the provisions of Chapter 18 and Section 64.640 of the Kentucky Revised Statutes, subject to the approval of the Commissioner of Personnel.* [The board of trustees shall elect from its membership a chairman and shall by majority vote of all its members appoint a secretary who is not a member of the board.]

The *Executive* Secretary, at the time of his appointment *or selection shall be a person* at least thirty-five years of age, a graduate of a standard four-year college with at least ten years' membership in the Teachers' Retirement System. [ten years experience as a teacher and be eligible for membership in the retirement system. He shall be paid an adequate salary in accordance with established personnel classification.] He shall not have held by appointment or election an elective office within the five year period next preceding the date of appointment or *selection.*

(2) The board shall engage such actuarial, legal, medical and other technical services and such clerical and other services as are required to transact the business of the retirement system. The compensation of all persons engaged by the board shall be paid at such rates and in such amounts as the board approves, *subject to the approval of the Commissioner of Personnel.* All other expenses for the operation of the retirement system shall be in such amounts as the board approves.

Section 3. Section 161.400 of the Kentucky Revised Statutes is amended to read as follows:

The Board of Trustees shall designate as actuary a competent person who shall be a member of the Conference of Actuaries in Public Practice or the Society of Actuaries. He shall be the technical adviser of the board on matters regarding the operation of funds of the system and shall perform such other duties as are required in connection therewith. At least once in each *ten-year* [five-year] period after the first year of operation of the system the actuary shall make an actuarial investigation into the mortality, earnable interest and service and compensation of the members and beneficiaries of the retirement system, make a valuation of the assets and liabilities of the funds of the system and recommend to the Board of Trustees such changes as may be deemed necessary to keep the retirement system on a sound financial basis. On the basis of the results of such investigations the Board of Trustees shall make necessary changes in the retirement system within the provisions of law and shall recommend the contributions payable by the state within the limits specified in KRS 161.550. *At least once in each two-year period the actuary shall make an actuarial valuation of the retirement system.*

Section 4. Section 161.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Board of Trustees shall be the trustee of the funds of the retirement system, and shall have full power and responsibility for the investment and disbursement of the funds. No investment shall be made of the funds except in the following:

(a) Bonds, notes or other obligations of or guaranteed by the United States, or those for which the credit of the United States is pledged for the payment of the principal and interest thereof, *and any bonds, notes, debentures or any other obligation or securities issued or guaranteed by any federal government agency, presently or in the future established by an Act of Congress, and as amended or supplemented from time to time;*

(b) Obligations of the Commonwealth of Kentucky and obligations of its departments and agencies, including revenue bonds;

(c) Obligations of any city of the first, second, third, fourth, or fifth classes of the Commonwealth of Kentucky, or county containing such city, for the payment of principal and interest on which the full faith and credit of the issuing body is pledged;

(d) School improvement bonds issued in accordance with authority granted under KRS 162.080 to and including KRS 162.100;

(e) School building revenue bonds issued in accordance with authority granted under KRS 162.120 to and including KRS 162.300, and any act or acts passed in the 1960 session of the General Assembly providing for the issuance of school building revenue bonds, provided the issuance of such bonds is approved by the State Board of Education;

(f) Revenue bonds issued by educational institutions of the Commonwealth of Kentucky is authorized by KRS 162.340 to and including KRS 162.380;

(g) Public utility revenue bonds issued by any city of the first, second, third, fourth or fifth classes, or by a county containing such a city, or by a special taxing district located within such city or county in the Commonwealth, provided: 1. the net income from such public utility property available for the payment of such securities, for the five fiscal years next preceding any such investment, shall have averaged at least 1 1/10 times all debt service requirements for principal, interest and sinking fund of all revenue securities payable only out of the revenues from such property during each of such fiscal years, and 2. the issuer of the securities covenants and is obligated to maintain rates to produce revenues, or will receive contract payments, either or both of which will be sufficient to meet costs of operation, taxes and all debt service requirements and such obligation or contract is legally enforceable;

(h) Obligations, consisting of notes, bonds, debentures, or equipment trust certificates issued under an indenture, which are the direct obligation or in the case of equipment trust certificates, are secured by direct obligation, of a corporation organized under the laws of the United States or any state in the United States or the District of Columbia, when such bonds are rated at time of purchase within the three highest classifications established by *one or more* [at least two] major rating services;

(i) Deposits in banks or trust companies in the Commonwealth of Kentucky organized under the laws of this state, or of the United States, when such deposits are interest bearing at a rate not lower than two percent per annum, and when such deposits are fully secured by direct obligations of the United States Government or of the Commonwealth of Kentucky, placed in the hands of the state treasurer and approved by the Board of Trustees;

(j) Stocks, preferred or common, issued or guaranteed by a corporation created or existing under the laws of the United States or any state thereof, subject to the statutory restrictions governing investments by insurance companies incorporated in Kentucky;

(k) Mutual-type funds established and controlled by any organization which may be formed by the Kentucky Teachers' Retirement System and other state retirement systems of Kentucky and other southern states for the mutual investment of funds in Kentucky or the southern regional area;

(l) Productive real estate;

(m) Industrial revenue bonds issued under authority of KRS 103.200 to 103.280; provided, however, the lease for the building between the city and the leasing corporation is for a period equal to or greater than the period for which the bonds are issued and the rental payments are sufficient to amortize all the bonds issued, and further provided that the corporation leasing the building shall have as of the date of the lease, outstanding bonds, debentures, or equip-

ment trust certificates which have been rated within the three highest classifications established by one or more major rating services.

(2) (a) Not more than twenty-five percent of any one issue may be purchased by the Board of Trustees as an investment, and not more than five percent of the invested funds of the retirement system may be invested in the obligations of any issuer except in the case of obligations of the United States Government; provided that not more than ten percent of the invested funds may be invested in an issue of the Commonwealth of Kentucky or its departments or agencies as defined in this subsection. For the purpose of this subsection revenue bond obligations of the Commonwealth of Kentucky or its departments or agencies shall not be deemed to be obligations of the same obligor if the revenues pledged are derived from separate projects. No investment may be made in the obligation of any issuer which has been in default of any of its bonds or interest during a period of the last ten years immediately preceding the purchase.

(b) No more than *sixty percent* [forty percent] of the assets of the retirement system may be invested in [any one of] the foregoing *classification* [classifications] subsection [(1) (a) or subsection] (1) (h) [provided, however, that this limitation shall not become operative until the existing percentage in such investments has been reduced to forty percent or until January 1, 1965, whichever occurs earlier]; no more than twenty percent of said assets may be invested in the foregoing classification subsection (1) (b); no more than twenty-five percent of said assets may be invested in any one of the foregoing classifications subsections (1) (c), (1) (d), (1) (e), (1) (f), and (1) (g); and no more than ten percent of said assets [(no more than two percent of the aggregate cost or book value of the total assets of the retirement system in any one fiscal year)] may be invested in any one of the foregoing classifications subsections (1) (i), (1) (j), and (1) (k); and no more than six percent of said assets may be invested in the foregoing *classifications* [classification] *subsections* (1) (l) *and (1) (m).*

(3) No investment or disbursement of funds shall be made unless authorized by resolution adopted by the Board of Trustees.

Section 5. Section 161.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) The membership of the retirement system shall consist of all new teachers, and all present teachers except [those who filed statements declining membership] as provided in *Acts,* 1938, 1st ex. s., c. 1, paragraph 29. [and did not withdraw the statements within the time allowed by that section] Persons entering service who hold membership in a retirement system financed in whole or part by Kentucky state funds may retain membership in that system instead of becoming members of the Teachers' Retirement System, provided

the statutes governing said system make continued membership possible.

(2) Effective July 1, 1960, and thereafter, a member or former member of the retirement system with at least three years of contributing service subsequent to the withdrawal of contributions and cancellation of service credit may regain such credit by depositing in the teachers' saving fund the amount withdrawn with interest at the rate of three percent per annum compounded annually computed from the first of the month of withdrawal and including the month of redeposit and by depositing in the state accumulation fund an additional sum equal to fifty percent of this amount. The payment to the state accumulation fund, including regular compound interest, shall, in the event of death of the member prior to retirement, be considered as accumulated contributions of the teacher.

(3) Effective July 1, 1960, any teacher who declined membership as provided in *Acts*, 1938, 1st ex. s., c. 1, paragraph 29, and who has since entered as a "new" teacher, may secure service credit for prior service, and for any subsequent service prior to date of membership, by depositing in the teachers' savings fund contributions for each year of subsequent service prior to date of membership, with interest at the rate of three percent compounded annually to date of deposit. The teacher shall also deposit an additional sum equal to fifty percent of this amount in the state accumulation fund. In the event of the death of the member prior to retirement, the payment to the state accumulation fund shall be considered as accumulated contribution of the member.

(4) Effective July 1, 1960, any teacher who declined membership as provided in *Acts,* 1938, 1st ex. s., c. 9, paragraph 29, may become a member and receive credit for prior and subsequent service by making proper contribution for the year 1940-41 and for each year thereafter, together with interest at the rate of three percent per annum compounded annually. The teacher shall deposit an additional sum equal to fifty percent of this amount in the state accumulation fund. In the event of the member's death prior to retirement, the contributions to the state accumulation fund shall be considered as accumulated contributions of the member.

(5) No person shall take advantage of the provision of subsections (2), (3) and (4) above more than once.

Section 6. Section 161.500 of the Kentucky Revised Statutes is amended to read as follows:

[(1) Upon confirmation of the statements required by KRS 161.480 the Board of Trustees shall issue prior-service certificates to each member certifying the length of prior service with which he is credited on the basis of his statement of service. While membership continues a prior-service certificate shall be final and conclusive evidence of such service, except that on evidence of error any member may, within one year from date of issuance or modification of the certificate, request the Board of Trustees to modify or correct his prior-service certificate. When membership ceases the prior-service certificate becomes void. If the teacher again becomes a member he shall enter the system as a member not entitled to prior-service credit except as provided under KRS 161.520.]

[(2)] The Board of Trustees shall fix by rules and regulations how much service in any year is equivalent to one year of service, but in no case shall more than one year of service be creditable for all service in one calendar year. Service rendered for the regular school year in any district or institution shall be equivalent to one year's service.

Section 7. Section 161.510 of the Kentucky Revised Statutes is amended to read as follows:

A teacher who was not employed for the 1940-41 school year but who was employed as a teacher in this state prior to the 1940-41 school year shall, when again employed, be considered a new teacher, and membership in the retirement system shall be compulsory for him. He may receive credit for prior service when he produces evidence that he was regularly employed as a teacher [in this state for full terms in three of the six school years preceding] *prior to* July 1, 1940.

Section 8. Section 161.515 of the Kentucky Revised Statutes is amended to read as follows:

(1) For the purpose of this section, "out-of-state service" shall mean service in any other state in a comparable position, which would be covered if in Kentucky.

(2) (a) After a teacher has been a member of the retirement system for at least one full scholastic year, he may present for credit, service rendered out-of-state subsequent to July 1, 1941, not to exceed eight such years actually taught as a certified or licensed teacher, provided such member pays to the retirement system the amount he would have paid had he been teaching in Kentucky and in addition thereto three percent compound interest on each annual contribution from the last day of the scholastic year in which the service was rendered to date of payment to the retirement system. For each year for which the retirement system shall accept the contribution and interest, one year of subsequent service credit shall be given. Not more than eight years may be contributed for under this section.

(b) For each such year so paid for and for any additional years for which contributions have been paid currently, not to exceed eight years in all, any member of the retirement system may offer bona fide out-of-state service for credit as prior service but not a greater number of years than the number for which contributions are paid, and in no case more than eight years of service prior to July 1, 1941. If out-of-state service was rendered in 1940-41, then contributions must be made for this year in the same manner as described under paragraph (a) of this subsection. [(c)] All such service, both subsequent and prior, shall be certified to by the member and verified according to KRS 161.480 and 161.490. [Appropriate form for this purpose shall be furnished by the Board of Trustees and used by the member making application. After additional out-of-state service credit has been granted under this section, the member receiving such service credit shall return his retirement certificate to the Board of Trustees and the secretary of the retirement system shall enter thereon, with the approval of the Board of Trustees, the additional credit allowed any such member.]

[(3) Nothing in this section shall be construed to permit a member of the Kentucky retirement system to leave the profession in Kentucky to teach in another state and during such service or upon return to teaching in the schools of Kentucky apply for the validation of such subsequent service under the provisions of this section.]

[(4) It is further provided that certificated teachers employed in, entering upon or transferring to service in the non-educational state institutions of Kentucky under the direction of the Department of Welfare as teachers or as supervisors of instruction may upon request to the Board of Trutees come into or continue in membership and pay their retirement contributions under such rules and regulations as said Board of Trustees may adopt not inconsistent with the Retirement Act for the payment of said contributions.]

Section 9. Section 161.516 of the Kentucky Revised Statutes is repealed.

Section 10. Section 161.520 of the Kentucky Revised Statutes is amended to read as follows:

(1) Membership in the retirement system shall be terminated:
(a) by retirement for disability or superannuation;
(b) by death;
(c) by withdrawal;
(d) when a teacher who is absent from service withdraws his deposits in the fund; or
(e) when a teacher is absent from service three out of six consecutive years, unless the Board of Trustees in accordance with its rules and regulations grants a longer period, not in excess of six years, of absence from active service as a teacher without the loss of his status as a member.

(2) Prior service rights shall be forfeited upon withdrawal,

and if the teacher again enters the service, it shall be as a new teacher, except that any teacher who withdraws by claiming his deposits may, before he is absent from service three school years, repay the system the sums he received from it upon his withdrawal with regular interest and thus re-establish his prior service rights.

(3) In case of withdrawal from service prior to eligibility for retirement, the Board of Trustees shall return to the teacher all of his accumulated contributions, but the teacher shall have no claim upon any contributions made by the state with a view to his retirement. If the member is eligible for a retirement allowance provided by KRS 161.600, 161.610 or 161.620, no withdrawal and refund shall be permitted, but in lieu thereof the teacher shall be entitled to the retirement or disability allowance provided by the retirement system.

(4) Except as provided in subsection (5), in case of death prior to retirement the Board of Trustees shall pay to the estate of the deceased member or to his assigns all of his accumulated contributions, with regular interest, but the estate or assigns shall have no claim on any contributions made by the state with a view to the retirement of the teacher.

(5) (a) Upon the death of a [active] member who has had subsequent service credit for at least six years and who was in active service for at least one full fiscal year immediately prior to his death or prior to the beginning of his last illness, or upon the death of a teacher retired for disability, the Board of Trustees shall pay to the estate or assigns of the deceased teacher a refund of his accumulated contributions; provided, *however,* [that] *the survivors of the deceased teacher, in the following named order, may elect to receive in lieu of a refund of the accumulated contributions a survivors benefit,* payable as follows: [If the deceased teacher is survived by a spouse whose marriage to the deceased teacher was at least one year prior to the teacher's death, an unmarried child or children under eighteen years of age, or a dependent parent or parents, such survivors in the order named may elect to receive in lieu of the accumulated contributions a survivors benefit described hereinafter in this section, payable under the conditions specified.]

(b) *Where* [If] the survivor is a *widow or a dependent widower* [spouse], *and the survivor's marriage to the deceased teacher took place at least one year prior to the teacher's death,* the benefit shall be *eighty* [forty] dollars per month, or one-half the retirement allowance that the teacher would have received had he been eligible and retired at the date of his death or was receiving as a disabled teacher at the date of death, whichever is larger. [If both a spouse and unmarried children under eighteen years of age survive the deceased, the benefit shall be increased by forty dollars per month in the case of one such child, seventy dollars per month in the case of two such children, and ninety dollars per month in the case of three such children, and one hundred dollars per month in the case of four or more such children.]

(c) Where the survivor is an unmarried child under age eighteen, the benefit shall be eighty dollars per month in the case of one such child, one hundred and twenty-five dollars per month in the case of two such children, one hundred and fifty dollars per month in the case of three such children, and one hundred and sixty dollars per month in the case of four or more such children.

[(c) If no spouse survives the deceased member and a child or children survive, the benefits payable to the child or children shall be at the rates specified in paragraph (b) above. These benefits shall apply to legally adopted survivors provided the proceedings for adoption were initiated at least one year prior to the death of the member.]

(d) Where the survivor is a child age eighteen or older whose mental or physical condition is sufficient to cause his dependency on the deceased member at the time of the member's death, the benefit shall be one hundred dollars per month, payable for the life of such child or until such time as the mental or physical condition creating the dependency no longer exists. Benefits under this subsection and subsection (c) shall apply to legally adopted survivors provided the proceedings for adoption were initiated at least one year prior to the death of the member. Benefits under this subsection and subsection (c) shall apply notwithstanding an eligible widow or dependent widower survives the deceased member.

(e) [(d)] *Where the sole eligible survivor is* [If no spouse or children survive the deceased member,] a dependent parent [or parents] aged sixty-five or over, the benefit shall be [shall be entitled to receive a benefit of] *eighty* [forty] dollars per month for one [each] parent *or one hundred and twenty dollars per month for two parents.* Dependency of a parent shall be established as of the date of the death of the member. [and shall be presumed to exist if the parent was receiving at least one-half of his support from the deceased teacher]

(f) Where the sole eligible survivor is a dependent brother or sister, the benefit shall be eighty dollars per month. In order to qualify the brother or sister must have been a resident of the deceased member's household for at least one full year prior to the member's death or must have been receiving care in a hospital, nursing home or other institution at the member's expense for a like period.

(g) [(e)] The benefit to a child [, spouse or dependent parent] shall terminate upon the attainment of age eighteen or *upon* [the] marriage. [of the child, or the re-marriage of the spouse or parent, if such parent was unmarried at the date of the death of the deceased member] *The benefit to a widow, dependent widower, dependent*

parent or dependent brother or sister shall terminate upon marriage. The benefit [to a spouse or parent] shall not be *paid* [payable to any such beneficiary] during the time the *survivor, other than a child,* [he] is receiving an annuity, pension or allowance in excess of *eighty* [forty] dollars per month from a retirement or pension system in the State of Kentucky financed in whole or in part by public contributions, excluding Old Age and Survivors Insurance, or *has income from all sources of $2,400 per year,* [is earning more than eighteen hundred dollars per year from gainful employment.] *not including any benefit payable under the terms of this Act. If income from all sources exceeds $2,400 per year, one dollar shall be subtracted from the benefit for each dollar of total income exceeding $2,400 per year.*

(h) [(f)] The Board of Trustees shall be the sole judge of eligibility or dependency of any beneficiary, and may require formal application or information relating thereto, *including proof of annual income satisfactory to the board.* [and] *The Board of Trustees* may subpoena records and individuals whenever it deems such action necessary.

(i) [(g)] No payments of benefits shall be made unless the Board of Trustees shall have authorized such payments. The board shall formulate and adopt necessary rules and regulations for the administration of the foregoing provisions and in every case the decision of the Board of Trustees shall be final as to eligibility, dependency or disability, and amounts of benefit payable.

Section 11. Section 161.590 of the Kentucky Revised Statutes is amended to read as follows:

At retirement the total service credited to a teacher shall consist of *prior and subsequent* [the membership] service rendered by him for which *service* credit has been allowed [and, if his prior-service certificate is in full force and effect, all service certified on his prior service certificate].

Section 12. Section 161.600 of the Kentucky Revised Statutes is amended to read as follows:

Any member who has attained the age of sixty years and who has completed *fifteen* [twenty] years of service as a teacher in Kentucky, five of which are subsequent to July 1, 1941, with at least one year subsequent to July 1, 1959, may retire upon written application to the Board of Trustees of the Teachers' Retirement System. Any member who completes *five* [ten] years of service subsequent to July 1, 1941, and who enters employment covered by another retirement system financed in whole or part with Kentucky state funds, may retain membership in the Teachers' Retirement System instead of joining the new system. Any member shall be automatically retired *as of July 1 following* [at] the end of the fiscal year during which he attains the age of seventy [years]. *Any teacher retired by reason* *of service and less than age seventy may waive his annuity and return to regular employment in a Kentucky public elementary or secondary school or state college. Such teacher shall receive no annuity payments while so employed and shall be returned to the annuity rolls as of July 1 following the close of the fiscal year in which the teaching was performed. Such person shall not be considered a member of the retirement system, and no contributions shall be made for him. Service subsequent to retirement shall not be used to improve an annuity.*

Section 13. Section 161.610 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who has been a teacher in Kentucky for thirty years or more and who withdraws from teaching after June 12, 1940, and before reaching the age of *sixty-five* [sixty] years may refuse to withdraw his deposits and continue to pay into the fund each year until the end of the fiscal year in which he reaches the age of *sixty-five* [sixty] years the same amount that he was required to contribute during his last full year as a teacher. If he so elects he shall, at the end of the fiscal year in which he attains the age of *sixty-five* [sixty] years and thereafter, be entitled to receive the same retirement allowance as a teacher who retires at the age of *sixty-five* [sixty] years.

(2) Any member who has completed thirty years of service in Kentucky [, which service is eligible for credit,] and who withdraws from teaching subsequent to July 1, 1950, may refuse to withdraw his deposits and irrespective of age apply for a retirement allowance *as of* [on] July 1 of any scholastic year, but not later than the end of the year in which he attains his sixty-fifth birthday. [Such a member shall notify the Board of Trustees in writing of his intention to withdraw under the provisions of this subsection and shall be deemed to have a vested interest in the retirement funds. The retirement allowance in final amount at age of retirement shall be determined by an actuarial factor equivalent to one at age seventy. Said factors shall be determined by the actuary of the system and approved by the Board of Trustees.]

Section 14. Section 161.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) The retirement allowance of the member retiring for superannuation whose age of retirement is seventy years shall be one percent of his average annual prior service salary for each year of prior service credit plus one and one-half percent of his average annual compensation for each year of subsequent service between the years 1941 and July 1, 1955, plus a percentage in excess of one and one-half percent, to be determined by the actuary of the system and approved by the Board of Trustees, said determined percentage to be taken of his annual subsequent service salary for the years after July 1, 1955. The

retirement allowance of a member retiring for superannuation whose age at retirement is less than seventy years shall be reduced to that amount which the value of the retirement allowance computed as provided in this section at age seventy will purchase as of the actual age of retirement of the member, according to the actuarial tables in use by the system. Retirement allowance in final amount at age of retirement shall be determined by an actuarial factor equivalent to one at age seventy. Said factors shall be determined by the actuary of the retirement system and approved by the Board of Trustees. *In determining the amount of retirement allowance, the actuarial value for male lives from the actuarial tables in use by the system shall be applied to all members, both male and female.*

(2) For any member retiring on or after July 1, 1955, no retirement allowance shall be greater than one-half of the average annual compensation unless *such allowance shall result from the application of a statutory minimum* [resulting from the minimum provided in KRS 161.625].

(3) Effective July 1, 1960, each teacher retired prior to that date who had reached age sixty as of July 1, 1960, and had service credit of twenty or more years, and all teachers retired for disability, shall receive a total annual allowance amounting to not less than forty dollars multiplied by the service credit years of the teacher. *Effective July 1, 1962, each teacher retired prior to July 1, 1960, with thirty or more years of service credit shall, effective July 1 following the sixtieth birthdate, be entitled to receive a total annual allowance which shall not be less than an amount produced by multiplying the total years of service credit of the teacher by forty dollars.*

(4) Beginning July 1, 1960, all teachers retiring thereafter who have reached the age of sixty at date of retirement, who have thirty or more years of service credit and are in active service at time of retirement, and all teachers retiring by reason of disability, shall receive an annual allowance of *not* [no] less than forty dollars multiplied by the service credit years of the teacher. [, except that where application of this minimum will produce an allowance greater than one-half of the average annual compensation as herein provided the allowance shall be reduced to one-half of the average annual compensation.] It is further provided that any teacher who is forced into retirement due to reaching mandatory retirement age shall qualify for the minimum annuity herein provided if the teacher has twenty years of service credit plus one year of credit for each year elapsing between July 1, 1960, and date of retirement, or July 1, 1970, whichever is earlier.

(5) The minimum provided in this section shall apply in the case of teachers retired or retiring under an option in the same proportion to the benefits of the teacher and his beneficiary or beneficiaries.

Section 15. Section 161.630 of the Kentucky Revised Statutes is amended to read as follows:

The beneficiary of a retirement allowance shall receive retirement allowances in the form of a life annuity, as provided in KRS 161.620, unless he elects, before the first payment of a retirement allowance is made, to receive equivalent benefits under such options as the Board of Trustees approves. No option shall provide for a benefit with an actuarial value at the age of retirement greater than that provided in KRS 161.620. [No payment during any year on account of one beneficiary shall be greater than one thousand dollars under such options.] This section does not apply to disability allowances.

Section 16. Section 161.650 of the Kentucky Revised Statutes is amended to read as follows:

In case of death of a member who has retired by reasons of superannuation or disability, any portion of the member's contributions, including regular interest to the date of retirement, that has not been paid as an allowance or benefit shall be paid to the member's *beneficiary* [estate] in such manner as the Board of Trustees elects.

Section 17. Section 161.655 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon the death of a retired teacher who at time of death is receiving a retirement or disability allowance, or upon the death of an active member [whose survivors can qualify for benefits under KRS 161.520], a death benefit of five hundred dollars shall be paid to his estate [or assigns] following application to the Board of Trustees, together with acceptable evidence of death and eligibility.

(2) Suit or civil action shall not be required for the collection of the death benefit provided herein, but nothing in this section shall prevent the maintenance of suit or civil action against the beneficiary or legal representative receiving the death benefit.

Section 18. Section 161.660 of the Kentucky Revised Statutes is amended to read as follows:

Any member who has completed ten years or more of accredited service in the public schools, or other covered positions, of the State of Kentucky, *one full year* [five years] of which immediately preceded retirement, may retire for disability, and shall be granted a disability allowance to be paid from the funds of the retirement system *provided that no member who has reached age sixty and is otherwise qualified for retirement and annuity may retire by reason of disability.* The disability allowance of each member retiring for disability shall be calculated in the same manner as the allowance for a superannuated member, except that the age factor used in determining the annuity shall be the factor for age sixty for disabled members under the age of sixty.

The maximum and minimum provisions that apply to members retiring for superannuation shall apply to all cases of retirement for disability, except that in no case shall the allowance be less than fifty dollars per month. All members now retired for disability that are under the age of sixty years and are receiving less than this minimum shall be increased to said minimum beginning July 1, 1958. [Members retired or retiring for disability may elect any of the options under KRS 161.630 upon reaching the age of sixty.]

Section 19. Section 161.670 of the Kentucky Revised Statutes is amended to read as follows:

(1) Retirement for disability shall be granted only after the applicant has established his claim through medical examination. The medical examination shall be made upon application by the member or by a person acting in his behalf, or by the agency employing him, stating that the member is physically or mentally incapacitated for the performance of duty and ought to be retired. *Medical examinations shall be performed as set forth in KRS 161.410. The Board of Trustees shall, based on all available data, determine members eligibility to retirement by reason of disability.* [If the medical examination conducted by a physician selected by the board of trustees shows that the member is physically or mentally incapacitated for the performance of duty and ought to be retired, the examining physician shall so report to the board of trustees and the board of trustees shall forthwith retire the member for disability.]

(2) A member retired for disability shall [, until reaching the age of sixty years,] be required to undergo periodic examinations at the discretion of the Board of Trustees in order to determine whether the disability allowance shall be continued. When an examination shows that the disability has been removed, the allowance shall cease. If the beneficiary of a disability allowance is able to engage in a gainful occupation other than teaching, the benefit shall be reduced, [until the beneficiary reaches the age of sixty years,] to an amount which with the earned income will not exceed the average salary for the five years preceding retirement, except that in no case shall the disability allowance be reduced to less than *the minimum set forth in KRS 161.600* [one hundred dollars].

Section 20. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any member who is drafted or enlists in the Armed Forces of the United States may, currently or at any time subsequent to return to employment in a position covered by the Teachers' Retirement System of the State of Kentucky, make contributions to the retirement system for each year of military service, subject to rules and regulations established by the Board of Trustees. Contributions shall be

made on the basis of the last salary earned prior to entrance into military service.

(2) Any person, other than a member, who is drafted or enlists in the Armed Forces of the United States and who enters employment covered by the Teachers' Retirement System of the State of Kentucky within eighteen months following other than dishonorable discharge or separation from active military service shall be eligible to make contributions and receive credit for each year of military service. Contributions shall be made on the basis of the salary earned during the first employment in a covered position. Any person, other than a member, who enters college or resumes college training within twelve months following other than dishonorable discharge or separation from active military service and who subsequently enters employment covered by the Teachers' Retirement System of the State of Kentucky within eighteen months following completion of college training may make contributions and receive military service credit as set forth in this subsection.

(3) All military service credit granted under the provisions of this section shall be considered as Kentucky teaching service. No person may receive credit for a greater number of years of military service than that required of him by Act of Congress or the Executive Order of the President of the United States.

Section 21. The provisions of Sections 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, and 20 of this Act shall not become effective until July 1, 1962.

Section 22. Whereas it is desirable and will be profitable to the System and to the Commonwealth to obtain early authority for the investment of funds as provided for herein, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

Committee on Labor and Manufacturing reported **SB 54** with the expression of opinion that the same should pass with Committee Amendment attached thereto.

Committee Amendment to **SB 54** is as follows:

Amend printed copy of Senate Bill 54 on page 2, line 24, by: changing the word "three" to the word "one".

SB 54 read at length for the first time and ordered placed in the Calendar.

SB 54, AN ACT relating to public contracts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this chapter, unless the context requires otherwise:

(1) "Public work" means any public building, public highway, bridge, or other public betterment, work or improvement of a permanent nature, constructed, reconstructed, repaired or improved wholly at the expense of the public.

(2) "Domestic materials" means articles, materials and supplies mined or produced in the United States, and manufactured articles, materials and supplies manufactured in the United States.

Section 2. Notwithstanding any inconsistent provision of any law, and unless the head of the department, or other public officer charged with the duty by law, shall determine it to be inconsistent with the public interest, or the cost to be unreasonable, only domestic materials shall be acquired or used for any public work.

Section 3. Every contract for the construction, alteration or repair of any public work in this state shall contain a provision that in the performance of the work the contractor and all subcontractors shall use only domestic materials in the performance of the work; but if the head of the department or other public officer authorized by law to make the contract shall find that in respect to some particular domestic materials it is impracticable to make such requirement or that it would unreasonably increase the cost, an exception shall be noted in the specifications as to that particular material, and a public record made of the findings which justified the exception.

Section 4. If the head of a department or other public officer having jurisdiction shall find that in the performance of any such contract there has been a failure to comply with any such provision contained in the contract, he shall make public his findings, including therein the name of the contractor obligated under such contract, and no other contract for the construction, alteration or repair of any public work in this state shall be awarded to such contractor, or to any partnership, association or corporation with which such contractor is associated or affiliated, within a period of three years after such finding is made public.

Committee on Public Health reported **SB 126**, **SR 18** without expression of opinion.

Calendar

SB 117, **SB 100**, **SB 145**, **SR 28**, **SB 161**, **SB 162**, **HB 196** taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 175 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator White moved the Previous Question on **HB 175.** Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Swope, Turner, Ware, White. Nays 0.

Senator White moved that the vote by which **HB 175** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 132 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 132.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Turner, Ware, White. Nays 7—Edwards, Gardner, Johnson, Logan, Martin, Overbey, Swope.

Senator Ware moved that the vote by which **HB 132** was passed be reconsidered and that said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 215.**

Recess

Senator Ware moved that the Senate recess for ten minutes. Agreed.

At the appointed hour the President resumed the chair.

Senator Ware moved that the Senate resolve itself into a Committee of the Whole for the purpose of hearing a statement from Lieutenant Governor Wyatt regarding **SR 37.** Agreed.

The President vacated the chair, President Pro Tem Alvin Kidwell presiding.

Senator Buckman moved that the entire Senate give Lieutenant Governor Wyatt a standing vote of confidence. Agreed.

The President Pro Tem announced that the Senate would be at ease for the purpose of having a Republican caucus.

Senator Ware moved that the Committee of the Whole be dissolved. Agreed.

Senator Ware requested a roll call, seconded by Senator Buckman, on the adoption of **SR 37.** Agreed.

On roll call, the vote was yeas 4—Bishop, Gardner, Logan, Martin. Nays 23—Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Garnett, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, McCann, Nichols, Overbey, Palmer, Raney, Turner, Ware.

The President Pro Tem vacated the chair, the President presiding.

Motion

Senator Hehl moved that the Rules be suspended for the purpose of making a motion. Agreed.

The President vacated the chair, President Pro Tem presiding.

Senator Hehl moved, seconded by Senator Craft, that **SR 37** be expunged from the record.

Senator Martin moved to amend Senator Hehl's motion so that Lieutenant Governor Wyatt's name would be omitted from **SR 37.**

Senator Hehl refused to accept the motion of Senator Martin to amend his motion.

Voice vote on Hehl's original motion agreed to, and **SR 37** was expunged from the record.

Senator Bishop requested that he be recorded as passing on the roll call on **SR 37** and not as voting "Yea". Agreed.

Orders of the Day

HB 133 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 133.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Brand, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Turner, Ware, White. Nays 5—Johnson, Logan, Martin, Overbey, Swope.

Senator Ware moved that the vote by which **HB 133** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 56 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Edwards moved the Previous Question on **SB 56.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Brand, Cobb, Conley, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Edwards moved that the vote by which **SB 56** was passed be reconsidered and that said motion be laid on the table. Agreed.

Report on Enrolled Bill

Commitee on Enrollment reported that **HB 57** had been examined and found correctly enrolled. **HB 57** read at length, compared, and signed in open session by the President Pro Tem. **HB 57** ordered delivered to the House.

Orders of the Day

SB 135 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 135.** Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Brand, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 135** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 136 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 136.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Brand, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Swope, Turner, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 136** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 137 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 137.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Brand, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Swope, Turner, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 137** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 63 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 63.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Brand, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Mann.

Senator Ware moved that the vote by which **SB 63** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 86 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 86.** Agreed.

On roll call, the vote was yeas 21—Bishop, Brand Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Kidwell, Kinkead, McGinty, Miller, Nichols, Palmer, Raney, Swope, Ware. Nays 5—Howard, McCann, Mann, Martin, Overbey.

Senator Duffy moved that the vote by which **SB 86** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 120 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 120.** Agreed.

On roll call, the vote was yeas 28—Bishop, Brand, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Swope, Turner, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 120** was passed be reconsidered and that said motion be laid on the table. Agreed.

Recess

Senator Overbey moved, seconded by Senator Gardner, that the Senate recess until 8 p. m.

On roll call, the vote was yeas 7—Gardner, Johnson, Kelly, McCann, Martin, Miller, Overbey. Nays 21—Bishop, Brand, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Garrett, Hehl, Howard, Kidwell, Kinkead, Logan, Mann, Nichols, Palmer, Swope, Turner, Ware, White.

Orders of the Day

SB 121 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 121.** Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Brand, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, McCann, Mann, Martin, Nichols, Overbey, Palmer, Turner, Ware, White. Nays 3—Johnson, Miller, Swope.

Senator Ware moved that the vote by which **SB 121** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 99 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator White moved the Previous Question on **SB 99.** Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Conley, Craft, Duffy, Edwards, Fuqua, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, McCann, Martin, Miller, Nichols, Overbey, Palmer, Swope, Turner, Ware, White. Nays 1—McGinty.

Senator Overbey moved that Senator Craft be recorded as voting "Yea" on **SB 99** and that the roll call be changed, as requested by Senator Craft. Agreed.

Senator White moved that the vote by which **SB 99** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 147 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 147.** Agreed.

On roll call, the vote was yeas 26—Bishop, Brand, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Swope, Ware, White. Nays 1—Turner.

Senator Howard moved that the vote by which **SB 147** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 119 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 119.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Brand, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Swope, Turner, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 119** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 88 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 88.** Agreed.

On roll call, the vote was yeas 24—Bishop, Cobb, Conley, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Swope, Turner, Ware, White. Nays 1—Gardner.

Reference of Bills and Resolutions

The Clerk announced that the following bills and resolutions had been referred:

Criminal Law: **SB 181.**

Ky. Statutes #2: **SB 182, SB 183, SB 186, SB 187, SB 188, SB 192, SB 194, SB 195, SB 196, SB 197, SB 199, SB 202, SB 204, SB 205, SB 207, SB 209, SB 210, SR 31, HB 19, HB 166.**

Ky. Statutes #1: **SB 184, SB 193, SR 30, HB 122, HB 241, HB 231, HB 233, HB 230, HB 121, HB 139, HB 17, HB 117, HR 43.**

Education: **SB 185, SB 208, HB 86.**

Courts and Legal Procedure: **SB 189, SB 190, SB 191, SB 200.**

Classification of Cities and Towns: **SB 198, SB 203.**

Insurance: **SB 201.**

Elections and Redistricting: **SB 206.**

Municipalities: **HB 8.**

Senator Ware moved that the Senate adjourn until 1 p.m., Thursday, February 15. Agreed.

THURSDAY, FEBRUARY 15, 1962

THIRTY-SIXTH LEGISLATIVE DAY

The Senate was called to order by the President Pro Tem, Senator Alvin Kidwell.

Prayer by the Reverend James Shepherd, Pastor of the First Methodist Church of Frankfort.

The roll was called. All present except Senators Craft, Derickson, Howard and Kinkead, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for February 14 dispensed with and the same approved on motion of Senator McCann.

House Message

Announcing passage of **HB 10, HB 55, HB 56, HB 68, HB 95, HB 152, HB 173, HB 187, HB 198, HB 207, HB 210, HB 223, HB 224, HB 225, HB 229, HB 232, HB 234, HB 236, HB 248, HB 272, HB 273, HB 296.**

Introduction of Bills

SB 230, by Senator Duffy: AN ACT relating to insurance and insurance companies, and amending certain sections of Chapter 304 of the Kentucky Revised Statutes and repealing Section 304.139 of the Kentucky Revised Statutes.

SB 231, by Senator Ware: AN ACT relating to Workmen's Compensation, and declaring an emergency.

SB 232, by Senator Ware: AN ACT relating to the Constitution Revision Committee, and declaring an emergency.

SB 233, by Senator Ware: AN ACT relating to boat registration.

SB 234, by Senator Ware: AN ACT relating to motor vehicle operator licenses.

SB 235, by Senator Ware: AN ACT relating to the compensation of county officers and employees.

SB 236, by Senator Ware: AN ACT relating to alcoholism.

SB 237, by Senator Ware: AN ACT relating to the taking of the sense of the people of the state as to the necessity and expediency of calling a Constitutional Convention for the purpose of revising or amending the Constitution of the Commonwealth of Kentucky, and such amendments as may have been made to the same, as provided by Section 258 of the present Constitution of Kentucky.

SB 238, by Senator Ware: AN ACT relating to the Council of Public Higher Education in Kentucky.

SB 239, by Senator Ware: AN ACT relating to pharmacies.

SB 240, by Senator Raney: AN ACT relating to public works.

SB 241, by Senator Buckman: AN ACT relating to Commonwealth's Attorneys.

SB 242, by Senator Johnson: AN ACT relating to teacher's retirement.

SB 243, by Senator Mann: AN ACT relating to mineral rights.

SB 244, by Senator McCann: AN ACT relating to executions, attachments, garnishments and fee-bills.

Calendar

SB 113, SB 98, HB 188, HB 76, HB 71, SB 70, SB 160, SB 93, SB 90, SB 62, SB 104, SB 97, SB 66, SB 87, SB 89, SB 156, HB 145, SB 54 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that said bills be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 130 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 130.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Duncan, Edwards, Fuqua, Gardner, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Nichols, Overbey, Palmer, Swope, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 130** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 139 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman offered Amendment No. 1 to **SB 139,** and moved its adoption. Agreed.

Said Amendment No. 1 to **SB 139** is as follows:

Amend printed copy of Senate Bill 139 on page 2, line 21, by deleting "(5)" and inserting "Section 5."

Senator Buckman moved the Previous Question on **SB 139,** as amended. Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Duncan, Fuqua, Gardner, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Overbey, Palmer, Swope, Ware, White. Nays 0.

Senator Buckman moved that the vote by which **SB 139,** as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

SB 140 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 140.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Duncan, Fuqua, Gardner, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

Senator Buckman moved that the vote by which **SB 140** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 153 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Amendment No. 1 to **SB 153** and moved its adoption. Agreed.

Said Amendment No. 1 to **SB 153** is as follows:

Amend printed copy of Senate Bill 153 on page 31, line 15, by:

(a) by striking the words "and services for" and substituting the words "supporting the employment of";

(b) and on line 17, by inserting between the words "of" and "the" the word "employment";

(c) and on line 19, by inserting between the words "for" and "the" the words "employment of";

(d) and on line 25, by inserting between the words "of" and "the" the words "employment of";

(e) and on page 32, lines 15, 16, and 17, by striking lines 15 and 16, and renumbering Section 8 on line 17 as "Section 7";

(f) and on page 45, lines 17 through 24, by striking lines 17 through 24 and substituting the following language:

"Youth. The commission shall consist of the commissioners of the Departments of Child Welfare, Economic Security, Health, and Mental Health, the Superintendent of Public Instruction, the chief executive officer of the Commission for Handicapped Children, and eighteen members to be appointed by the Governor. A chairman of the commission shall be elected at the first meeting and annually thereafter.

(2) Of the eighteen members first appointed by the Governor, four shall serve for terms of one year, four for terms of two years, five for terms of three years, and five for terms of four years. At the expiration of these terms, appointments shall be for terms of four years. All appointed members shall"

Senator Buckman offered Amendment No. 2 to **SB 153** and moved its adoption. Agreed.

Said Amendment No. 2 to **SB 153** is as follows:

Amend printed copy of Senate Bill 153 on page 6, line 12 and 13, by deleting all of lines 12 and 13; change 23 to 22 in line 14; change 24 to 23 in line 17; change 25 to 24 in line 26; change 26 to 25 in line 28, and in line 1 on page 7 change 27 to 26.

Senator Overbey moved, seconded by Senator Miller, to make **SB 153** a Special Order for February 16 at 10 a.m., and requested a roll call.

On roll call, the vote was yeas 15—Blue, Conley, Duncan, Edwards, Fuqua, Gardner, Howard, Johnson, Kiser, Logan, McGinty, Martin, Miller, Overbey, Swope. Nays 19—Bonn, Brand, Buckman, Cobb, Duffy, Garnett, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, McCann, Mann, Nichols, Palmer, Raney, Ware, White.

Senator Ware moved the Previous Question on **SB 153**, as amended. Agreed.

On roll call, the vote was yeas 22—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Duffy, Edwards, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, Nichols, Palmer, Raney, Ware, White. Nays 10—Conley, Duncan, Gardner, Johnson, Logan, McGinty, Martin, Miller, Overbey, Swope.

Senator Ware moved that the vote by which **SB 153**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 92 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 92**. Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Duncan, Edwards, Fuqua, Garnett, Garrett, Hehl, Hickerson, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 92** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 85 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy offered Amendment No. 1 to **SB 85**, and moved its adoption. Agreed.

Said Amendment No. 1 to **SB 85** is as follows:

Amend printed copy of SB 85 on page 2, line 2, by deleting the brackets "[ ]" surrounding the word "or."

Senator Duffy moved the Previous Question on **SB 85**, as amended. Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 0.

Senator Duffy moved that the vote by which **SB 85** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 164 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 164.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 0.

Senator Conley moved to amend the title to **SB 164** and that it be known as the "C. W. A. McCann Bill." Agreed.

Senator Ware moved that the vote by which **SB 164** was passed be reconsidered and that said motion be laid on the table.

SB 166 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 166.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 0.

Senator Ware moved that the vote by which **SB 166** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 167 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 167**. Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 167** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 168 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 168**. Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Martin, Miller, Nichols, Palmer, Raney, Ware, White. Nays 1—McGinty.

Senator Ware moved that the vote by which **SB 168** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 169 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 169**. Agreed.

On roll call, the vote was yeas 31—Bishop, Blue Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware. White. Nays 0.

Senator Ware moved that the vote by which **SB 169** was passed be reconsidered and that said motion be laid on the table. Agreed.

Recess

Senator Ware moved that the Senate recess for one hour. Agreed.

At the appointed hour the President Pro Tem resumed the chair.

Motions

Senator Edwards moved that the Rules be suspended for the purpose of introducing a resolution. Agreed.

Introduction of Resolution

SR 38, by Senators Edwards and Hickerson: A RESOLUTION urging all tobacco growers in this Commonwealth to go to the polls on Tuesday, February 20, 1962, and cast their vote on tobacco marketing quotas for the years 1962-64.

Senator Edwards moved the adoption of **SR 38.** Agreed.

Said Resolution is as follows:

SR 38, A RESOLUTION urging all tobacco growers in this Commonwealth to go to the polls on Tuesday, February 20, 1962, and cast their vote on tobacco marketing quotas for the years 1962-64.

WHEREAS, tobacco is one of the major agricultural crops of this Commonwealth; and

WHEREAS, the production of tobacco is controlled by marketing quotas; and

WHEREAS, the tobacco producers of this Commonwealth should let their views on marketing quotas be known through their votes,

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That all tobacco growers in this Commonwealth be urged to go to the polls on Tuesday, February 20, 1962, and cast their vote on tobacco marketing quotas for the years 1962-64.

Section 2. That the clerk of the Senate have this Resolution published in at least one newspaper with state-wide circulation.

Orders of the Day

SB 170 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 170.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 170** was passed be reconsidered and that said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 60, HB 97, HB 185, HB 227, HB 271, HR 40, HR 48, SB 42,** with amendment.

Orders of the Day

SB 171 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 171.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 171** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 172 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 172.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 172** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 173 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 173.** Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Hehl, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 173** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 117, with Committee Substitute attached thereto, taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Amendment No. 1 to the Committee Substitute for **SB 117**, and moved its adoption. Agreed.

Said Amendment No. 1 to Committee Substitute for **SB 117** is as follows:

Amend printed copy of Committee Substitute for **SB 117** on page 8, line 17, by deleting the word "section" and insert in lieu thereof "Act."

Senator Ware offered Amendment No. 2 to the Committee Substitute for **SB 117**, and moved its adoption. Agreed.

Said Amendment No. 2 to Committee Substitute for **SB 117** is as follows:

Amend printed copy of Committee Substitute for **SB 117** on page 15, line 28, by deleting the word "charter" and inserting in lieu thereof the word "certificate."

Senator Ware moved that the Committee Substitute for **SB 117** be adopted as amended. Agreed.

Senator Ware moved the Previous Question on **SB 117**, as amended. Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 117**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Overbey moved that the Rules be suspended for the purpose of giving Committee Reports. Agreed.

Reports of Committees

Committee on Criminal Law reported **SB 181** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 181, AN ACT relating to obscene material.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 436.100 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall knowingly exhibit, sell, print, offer to sell, give away, circulate, punish, distribute or attempt to distribute any obscene book, magazine, pamphlet, paper, writing, card, advertisement, circular, print, picture, photograph, motion picture film, play, image, instrument, statue, drawing, or other article which is obscene.

(2) "Person" means any natural person, film, partnership, copartnership, association, corporation, or organization of any kind.

(3) Any person violating subsection (1) of this section shall be deemed guilty of a misdemeanor and upon conviction be fined not more than five hundred dollars, or imprisoned not more than one hundred days, or both. [Any person who sells, lends, gives away or shows, offers to sell, lend, give away or show, has in his possession with intent to sell, lend, give away or show, or advertise in any manner or otherwise offers for sale, loan, gift or distribution any obscene or disgusting book, magazine, pamphlet, newspaper, writing, picture, drawing, photograph, figure or image, or any written or printed matter of an indecent character, or who designs, copies, draws, photographs, prints, utters, publishes or in any manner manufactures or prepares any such matter or article, or who writes, prints, publishes or utters or causes to be written, printed, published or uttered any advertisement or notice of any kind giving information, directly or indirectly, stating or purporting to state, where, how, of whom or by what means any such matter or article named in this section can be purchased, obtained or had, or who employs, uses or permits any minor to do so, shall be fined not less than fifty dollars nor more than one thousand dollars, or imprisoned for not less than ten days nor more than one year, or both.]

Committee on Education reported **HB 86** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 86, AN ACT relating to boards of education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 160.280 of the Kentucky Revised Statutes is amended to read as follows:

Members of boards of education shall receive no salaries, but members of county boards of education may receive a per diem of ten dollars and their actual expenses for each regular or special meeting attended, and may be reimbursed for other actual and necessary expenditures incurred in the district in the performance of their duties authorized by the board. In no case shall the expenses *incurred within the district* or per diem of any member exceed two hundred dollars per annum. *Members of boards of education may be reimbursed for actual and necessary expenditures incurred outside the district in the performance of their duties authorized by the board.* All claims shall be made out according to law and filed with the secretary of the board and shall be approved and paid as other claims against the board.

Committee on Child Welfare and Social Work reported **SB 118** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 118, AN ACT relating to the Department of Child Welfare and to Child Welfare and Adoptions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 199.011 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Commissioner" means Commissioner of Child Welfare;

(2) "Department" means the Department of Child Welfare;

(3) "Child" means any person who has not reached his eighteenth birthday;

(4) "Neglected or dependent child" means any child who is under such improper parental care and control or guardianship as to injure or endanger the morals, health or welfare of himself or others;

(5) "Abandoned child" means any child who by reason of the desertion of his parents or guardian is in destitute circumstances;

(6) "Child-caring institution or agency" means any agency or institution other than a state institution or one *certified by an appropriate agency as* operated primarily for educational or medical purposes, in which four or more children, not related by blood, adoption or marriage to the person maintaining the institution, are cared for and maintained [in residence] for compensation or otherwise;

(7) "Child-placing institution or agency" means any agency or institution other than a state agency which arranges for the placement of children in child-caring homes or child-caring institutions, or which arranges for the placement of children for adoption;

(8) "Child welfare worker" means an employe of the department designated as such by the Commissioner or social worker employed by a county or city who has been approved by the department to handle, under its supervision, services to children;

(9) "Boarding home or foster parent" as used in subsection (4) of KRS 199.600 means persons who board children held in custody by the department.

Section 2. Section 199.420 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commissioner shall have the power and authority to adopt, amend or rescind such rules and regulations as he deems necessary or suitable for the proper administration of the functions of the *department,* [division] including qualification for the receipt of federal funds and for cooperation with other state and federal agencies. Such rules and regulations shall become effective in the manner and at the time prescribed by the commissioner.

(2) In the administration of KRS 199.410 to 199.670 the commissioner shall cooperate to the fullest extent possible with any agency of this state or any other state of the United States.

(3) The commissioner is authorized, subject to the provisions of KRS Chapters 12, *18,* 42, 45, and 64, to appoint, fix the compensation and prescribe the duties and powers of such officers and employes as may be necessary in the performance of his duties under KRS 199.410 to 199.670. All positions shall be filled by persons selected and appointed on a nonpartisan merit basis, in accordance with merit standards established by law. The commissioner shall not employ or pay any person who is an officer or committee member of any political party organization. The commissioner may delegate to any such person as appointed such power and authority as he deems reasonable and proper for the effective administration of KRS 199.410 to 199.670.

(4) The commissioner shall have the power and authority to elect coverage for the workers in the *department,* [division] under the provisions of KRS Chapter 341, and may elect coverage for such workers under the Workmen's Compensation Law of this state. In the event such coverage is elected the payment of contributions under KRS Chapter 341 and premiums under the Workmen's Compensation Law shall be deemed a proper cost of administration.

(5) The salaries and expenses of the commissioner and his staff, shall be considered a proper cost of administration [of KRS 199.410 to 199.670, to be charged to the Child Welfare and Benefit Fund in that proportion which the cost of such services rendered in the administration of KRS 199.410 to 199.670 bears to the overall cost of the services rendered in the administration of the department] *and charged to the funds allocated to the Department of Child Welfare.*

Section 3. Section 199.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any adult person who is a resident of this state or who has resided in this state for twelve months next before filing, may file a petition for leave to adopt a child in the circuit court of the county in which the petitioner resides.

(2) If petitioner is married, the husband or wife must join in a petition for leave to adopt a child unless the petitioner is married to a natural parent of the child to be adopted, except that if the court finds that the requirement of a joint petition would serve to deny the child a suitable home, such requirement may be waived.

(3) No petition for the adoption of any child under the age of sixteen shall be filed until after the child has lived continuously in the home of the petitioner for at least three months immediately prior to the filing of the petition.

(4) No petition for adoption shall be filed unless prior to the filing of the petition the child sought to be adopted has been placed for adoption by a licensed child-placing institution or agency or by the department, or the child has been placed with written approval of the Commissioner; but no such placement shall be necessary in the case of:

(a) A child sought to be adopted by a stepparent, grandparent, sister, brother, aunt or uncle;

(b) A child received by the proposed adopting parent or parents from an agency without this state with the written consent of the Commissioner.

(5) Subsection (4) of KRS 199.470 shall not apply to those children placed for adoption prior to its effective date.

(6) In any case where the department refuses to approve the placement of a child for adoption when requested by the parent or parents of the child, or refuses the request of any person or persons that a child be placed with him or them for adoption, the decision of the department in so refusing shall be final unless within ten days after notice of refusal, the natural or proposed adopting parent or parents shall appeal to the circuit court of the county in which the adoption is proposed. The department shall be made a party defendant to the appeal.

(7) No person, association or organization, other than the department or a licensed child-placing institution or agency shall place a child or act as intermediary in the placement of a child for adoption or otherwise; except in the home of a stepparent, grandparent, sister, brother, aunt or uncle, or upon written approval of the Commissioner.

Section 4. Section 199.480 of the Kentucky Revised Statutes is amended to read as follows:

(1) The following persons shall be made parties defendant in an action for leave to adopt a child:

(a) The child to be adopted;

(b) The natural living parents of a child under twenty-one, if the child is legitimate, and its mother if the child is born out of wedlock, provided that no natural parent need be made a party defendant in the event the parental rights of such parent have been terminated under KRS 199.600 to 199.630, *or under a comparable statute of another jurisdiction;*

(c) The child's guardian, if it have one;.

(d) If the care, custody and control of the child has been transferred to the department, any other individual, institution or agency, then the department, such other individual, institution or agency shall be named a party defendant.

(2) Each party defendant shall be brought before the court in the same manner as provided in other civil cases except that if the child to be adopted is under fourteen years of age and the department, individual, institution or agency has custody of such child, the service of process upon such child shall be had by serving a copy of the summons in such action upon the department, individual, institution or agency, any provision of Section 52 of the Civil Code of Practice to the contrary notwithstanding.

(3) If the child's natural living parents, if the child is legitimate, or its mother if the child is born out of wedlock, are parties defendant, no guardian ad litem need be appointed to represent the child to be adopted.

Section 5. Section 199.600 of the Kentucky Revised Statutes is amended to read as follows:

(1) In a proceeding involving a neglected or abandoned child, as defined in KRS 199.011, the circuit court may terminate all parental rights of the parents of such child, and declare the child to be a ward of the state, and may vest the care, custody and control of the child in the department or in any licensed child-caring or child-placing agency or institution, if facilities are available to receive the child, if it is pleaded and proved in a private hearing that the parents have abandoned or deserted the child, or have substantially and continuously or repeatedly refused, or being able have neglected, to give the child parental care and protection, or that the child is neglected and that the parents have been adjudged mentally incompetent [to retain their parental rights] and such judgment has been in effect for not less than one year.

(2) If the circumstances described in subsection (1) of this section exist with respect to only one of the two legitimate parents, the parental rights of that parent may be terminated, in which case the child shall not be declared to be a ward of the state, unless with the voluntary consent of the other parent.

(3) In an action to terminate parental rights under this section the parents, if the child is legitimate, or the mother if the child is born out of wedlock, must be personally summoned; or where

personal service cannot be made, must be constructively summoned as provided in the Civil Code of Practice.

(4) In the event the infant is made party defendant to the action, the boarding home or foster parent shall not be served with summons notwithstanding provisions of Rule 4.04 subsection (4), Kentucky Rules of Civil Procedure.

(5) [4] The court may be convened at any time wherever the judge thereof may be found within his district, irrespective of the regular term, for the purpose of terminating parental rights under this section, and shall complete the same as soon as possible.

(6) [5] Proceedings under this section may be instituted upon petition by the department, any probation officer, any state or local law enforcement officer, any county or commonwealth's attorney or a natural parent.

(7) An involuntary termination of parental rights may be instituted in the Franklin Circuit Court, if in the opinion of the Commissioner, the best interest of the child may be thus served.

Section 6. Section 199.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) [2] (a) Except as provided in paragraph (b) of this subsection, any person who violates KRS 199.320 shall be fined not more than five hundred dollars or imprisoned in the county jail or workhouse not more than twelve months, or both;

(b) Instead of the penalty imposed by paragraph (a) of this subsection, the court may suspend the sentence and release the defendant on probation for one year upon his recognizance, with or without sureties in such sum as the court directs. The recognizance shall provide that the defendant shall make his personal appearance in court whenever ordered to do so, and shall provide and care for the child as directed by the court, and shall further comply with the orders of the court. If the court is satisfied by information or proof, under oath, that the defendant has violated the terms of the order, it may revoke the order and sentence him under the original conviction. Unless so sentenced, the defendant shall be discharged at the end of the year, and the conviction shall become void;

(c) County courts shall have exclusive jurisdiction of all prosecutions under KRS 199.320.

(2) [3] Any person who violates subsection (1) of KRS 199.330, shall be fined not more than five hundred dollars or imprisoned in the county jail or workhouse not more than one year, or both.

(3) [4] Any person who interferes with any officer or agency acting under authority of subsection (2) of KRS 199.330, shall be fined not more than twenty dollars, or imprisoned in the county jail or workhouse not more than ninety days, or both.

(4) [5] Any person who violates KRS 199.340 shall, for the first offense, be fined not more than twenty dollars, or imprisoned in the county jail or workhouse not more than ninety days, or both; and for any subsequent offense he shall be fined not more than one hundred dollars or imprisoned in the penitentiary for not more than one year, or both.

(5) [6] All fines, penalties and forfeitures collected for any violation of KRS 199.330, 199.340 or of any law relating to or affecting children, shall be paid on demand to the incorporated society for the prevention of cruelty to children or to the charitable organization which institutes or conducts the prosecution. One-half of all fines collected for violations of KRS 199.330 or 199.340 shall be paid to any regularly incorporated society for the prevention of cruelty to animals which institutes or conducts the prosecution.

(6) [7] Any person who violates subsection (1) of KRS 199.350 shall be imprisoned in the county jail not less than ten nor more than sixty days, or fined not less than twenty-five nor more than two hundred dollars, or both.

(7) [8] Any person who upon thirty days' notice fails to remove a child from the state when required to do so under a bond as provided in paragraphs (c) or (d) of subsection (2) of KRS 199.350 shall forfeit one thousand dollars, to be recovered upon the bond by a suit in the name of the county in which the bond is filed.

(8) [9] Any person violating any of the provisions of KRS 199.380 to 199.400 shall be guilty of an offense, and upon conviction thereof, shall be fined not more than five hundred dollars or imprisoned for more than twelve months, or be both fined and imprisoned, in the discretion of the court.

(9) [10] Any person who violates any of the provisions of KRS 199.430, *199.470,* 199.570 and 199.590, or 199.640 to 199.670 or any rule or regulation under such sections the violation of which is made unlawful shall be fined not less than $500 nor more than $2,000 or imprisoned for not more than six months, or both. Each day such violation continues shall constitute a separate offense.

(10) [11] Any person who willfully violates any other of the provisions of KRS 199.420 to 199.670 or any rule or regulation thereunder, the violation of which is made unlawful under the terms of those sections, and for which no other penalty is prescribed in those sections or in subsection (1) of this section, or in any other applicable statute, shall be fined not less than $20 nor more than $200 or imprisoned for not more than thirty days, or both.

Committee on Ky. Statutes #2 reported **SB 81** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 81, AN ACT relating to voter registration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) All voter registration records in existence on January 1, 1963 shall be discarded and shall have no legal significance for voter registration purposes. Any records, lists, or books required by KRS 117.600 to 117.895 shall contain only information acquired after January 1, 1963.

(2) Any person who is qualified to register to vote shall register after January 1, 1963 if he intends to acquire or maintain a voting status, even though he has previously registered, if such is the case. The registration required by this subsection shall be conducted pursuant to the provisions in KRS 117.600 to 117.895.

(3) All persons registering after January 1, 1963 shall receive a certificate evidencing their registration.

(4) The effective date of this Act shall be January 1, 1963.

Committee on Courts and Legal Procedure reported **HB 5, SB 191** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 5, AN ACT relating to judicial districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The preamble and subsection 20 of Section 23.050 of the Kentucky Revised Statutes is amended to read as follows:

The regular term of each court shall commence in each county at the following named time, and continue, if the business requires it, the number of days hereinafter prescribed:

(20) Greenup County, at Greenup, on the second Monday in January, the second Monday in March and the *second* [first] Monday in May, eighteen juridical days each; on the *second* [first] Monday in July, twelve juridical days; on the *second* [first] Monday in September, eighteen juridical days; on the third Monday in November, twenty-four juridical days.

Lewis County, at Vanceburg, on the second Monday in February and the second Monday in June, eighteen juridical days each; on the second Monday in October, twenty-four juridical days.

SB 191, AN ACT relating to Workmen's Compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 342.290 of the Kentucky Revised Statutes is amended to read as follows:

(1) Where an amount sufficient under KRS 21.060 to authorize an appeal to the Court of Appeals is involved, the judgment of the circuit court shall be subject to appeal to the Court of Appeals. The scope of review by the Court of Appeals shall include all matters subject to review by the circuit court and also errors of law arising in the circuit court and upon appeal made reviewable by the Civil Code of procedure where not in conflict with this chapter.

(2) The procedure as to appeal to the Court of Appeals shall be the same as in civil actions, so far as it is applicable to and not in conflict with this chapter, except as follows:

(a) The appellant shall file with the clerk of the circuit court, together with proof of acknowledgment of service, a schedule which indicates the portions of the record to be incorporated into the transcript of the record to be used on appeal to the Court of Appeals. Should the appellee or his counsel desire additional portions of the record incorporated into the record to be filed in the Court of Appeals, he may file with the clerk of the circuit court his schedule also within ten days thereafter (unless the time is extended by order of the circuit court of the Court of Appeals), indicating the additional portions of the record desired by him. Provided, however, that if the original record of the Workmen's Compensation Board is desired by either party on appeal to the Court of Appeals, it shall not be necessary for the clerk of the circuit court to copy said original record into the transcript, but the same shall be and become a part of the transcript and shall be forwarded to the Clerk of the Court of Appeals as a part of the record upon appeal to said court. The clerk shall not be entitled to any transcript fee for such original record.

(3) The clerk of the circuit court will transmit to the Court of Appeals as the transcript of the record only those portions of the record of the lower court as are designated by the parties as above.

(4) The appeal shall be advanced on the Court of Appeals docket without motion or notice.

Orders of the Day

SB 100 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the adoption of Committee Amendment No. 1 to **SB 100.** Agreed.

Amend printed copy of Senate Bill No. 100 on page 3, lines 7, 8, 9, 10, and 11, by deleting the following sentence:

"In the case of loans made under this section the lending institution shall not take any assignment, pledge or transfer of wages to be earned or paid in the future, [nor any lien upon real estate or security,] except such lien as is created by virtue of a judgment or decree."

and inserting in lieu thereof the following:

"In the case of loans made under this section the corporation shall not take any assignment, pledge, or transfer of wages to be earned or paid in the future, nor any first lien or first mortgage on real estate as security, except such lien as is created by virtue of a judgment or decree."

Senator Ware moved the adoption of Committee Amendment No. 2 to **SB 100.** Agreed.

Amend printed copy of Senate Bill 100, paragraph 9 on page 4, by deleting all of said paragraph and inserting in lieu thereof the following:

"(9) KRS 288.420, KRS 288.620 and KRS 360.010 shall not apply to loans made under authority of this section but said section shall remain in full force and effect for all other purposes. Nothing in this section shall be construed to impair the validity or effect of said sections with respect to loans other than those made pursuant to this section nor shall anything in this section be construed to impair the validity or effect of KRS 360.025."

Senator Ware moved the Previous Question on **SB 100,** as amended. Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Ware, White. Nays 0.

Senator Ware moved that the vote by which **SB 100,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Reference of Bills

The Clerk announced that the following bills had been referred:

Ky. Statutes #2: **HB 215, SB 220, SB 223**

Ky. Statutes #1: **SB 211, SB 215, SB 216, SB 217, SB 218, SB 219**

Municipalities: **SB 212, SB 222, SB 224**

Banks and Banking: **SB 213**

Courts and Legal Procedure: **SB 214**

Insurance: **SB 221**

Senator Ware moved that the Senate adjourn until 10 a.m., Friday, February 16. Agreed.

FRIDAY, FEBRUARY 16, 1962

THIRTY-SEVENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James Shepherd, Pastor of the First Methodist Church of Frankfort.

The roll was called. All present except Senators Derickson, Fuqua and Turner, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for February 15 dispensed with and the same approved on motion of Senator McCann.

Introduction of Bills

SB 245, by Senator McCann: AN ACT relating to public offices and officers.

SB 246, by Senator Kinkead: AN ACT relating to archaeological sites and objects of antiquity.

SB 247, by Senator Duffy: AN ACT relating to claims against the Commonwealth.

SB 248, by Senator Ware: AN ACT relating to the compensation of physicians employed by state agencies.

SB 249, by Senator Ware: AN ACT relating to the Water Pollution Control Commission.

SB 250, by Senator Ware: AN ACT relating to the Teachers' Retirement System.

SB 251, by Senator Ware: AN ACT relating to agriculture.

SB 252, by Senator Bishop: AN ACT relating to taxes.

SB 253, by Senator Blue: AN ACT relating to sheriffs.

Report of Committees

Committee on Ky. Statutes #1 reported **HB 122, HB 233, HB 231, HB 121** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 122, AN ACT relating to mosquito control.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. For the purpose of preserving and promoting the public health and welfare by providing for the control of mosquitoes and other arthropods of public health and welfare significance, the creation of mosquito control districts is hereby authorized. The boundaries of such district shall be coextensive and coterminous with the boundaries of the county.

Section 2. (1) There is established a committee on mosquito control consisting of the Commissioner of Agriculture, Labor and Statistics as ex officio chairman, the Commissioner of Health, the Commissioner of Conservation, the Commissioner of Fish and Wildlife Resources, the Commissioner of Highways, and the State Entomologist. Any of such members may be represented in meetings of the committee by their deputies or other personnel designated in writing. The members of the committee shall serve without compensation, but may be reimbursed for expenses incurred in the performance of their duties.

Section 3. (1) The committee is authorized to accept and allocate or expend any grants-in-aid for mosquito control purposes which may be made available to the state by the federal government.

(2) Upon the approval of the committee funds received by the department for permanent mosquito control purposes may be utilized to aid local governmental units, other than mosquito control districts, undertaking projects having significant mosquito control benefits. In no case shall the grant of such funds exceed five per cent of the capital costs of such project nor fifty per cent of the annual operating expenses of such unit.

(3) The department shall act as fiscal agent in contracting for receipt and expenditure of all funds made available to the committee and shall provide all administrative services required to carry out the functions of the committee.

(4) In no case shall the monetary value of the aid provided with state funds to mosquito control districts exceed that provided locally for temporary control measures such as larviciding or adulticiding, nor twice the local funds provided for permanent improvements such as draining, filling, diking, and impounding.

(5) State aid shall not be given to mosquito control districts until the work or project plans for which the grant is being made are submitted to and approved by the committee or its duly authorized representative, and proof has been received by the department that required local funds are available.

Section 4. (1) Ten per cent of the qualified electors voting in the last general election in any county may petition the fiscal court that the proposition of creating, establishing, and maintaining a county mosquito control district be submitted to the voters of the county at the next general election held in the county that does not occur within less than ninety days after filing of the petition.

(2) The petition may consist of one or more separate units and shall be filed with the county clerk. Each subscriber to the petition shall state his name, post office address, the voting precinct in which he is registered, and the date of signing.

(3) No subscriber may withdraw his name or have it taken from the petition after the petition has been filed. If the name of any person has been placed on the petition without his authority, he may appear before the fiscal court before the election is ordered and, upon proof that his name was placed on the petition without his authority, his name may be eliminated by an order of the court.

Section 5. (1) Upon the filing of the petition the fiscal court shall enter an order directing the publication of notice of the filing in a newspaper as required by chapter 424 of the Kentucky Revised Statutes, for four consecutive weeks next preceding the general election. The cost of publication shall be paid by the fiscal court out of county funds. The court shall enter a further order directing the clerk of the county to have placed upon the ballot at such election the question, "Are you in favor of establishing a county mosquito control district," with proper squares in which the voter may indicate "yes" or "no."

(2) The vote shall be canvassed and returned by the board of election commissioners for the general election and certified to the fiscal court. If a majority of those voting on the proposition vote "yes," the fiscal court shall by order declare the establishment of the district.

Section 6. (1) Each mosquito control district shall be governed by a board of supervisors consisting of five qualified voters residing in the district, appointed by the fiscal court, one each for terms of one, two and three years and two for four years. At the expiration of the terms of the members of the first board, all appointments shall be for terms of four years and until their successors are appointed and qualified, but the individual holding the office shall do so at the pleasure of the fiscal court. Vacancies shall be filled by the fiscal court. Vacancies resulting from cause other than expiration of the term shall be filled for the unexpired term.

(2) The Commissioners of Agriculture, Labor and Statistics, Conservation, Health, Highways, and Fish and Wildlife Resources, may designate representatives of the departments to serve on district boards in an advisory capacity without vote.

(3) Members of the board appointed by the fiscal court may be reimbursed for necessary expenses incurred in performance of their duties, except that the secretary-treasurer may be paid up to fifteen dollars per day, not to exceed three hundred dollars per year, for performance of his duties.

Section 7. At the first meeting of the board of supervisors and annually thereafter, the board shall elect from its membership a chairman and a secretary-treasurer. Each voting member shall take and subscribe to oath as required by law and shall execute bond in the amount of five thousand dollars conditioned on faithful performance of the office. The secretary-treasurer shall execute an additional official bond with corporate surety in an amount determined by the fiscal court. The bonds and oaths shall be approved by the fiscal court and shall remain in possession of the court.

Section 8. The board of supervisors shall constitute a public body corporate with perpetual succession and power in its name to:

(1) Contract and be contracted with, sue and be sued, adopt bylaws, and have and use a corporate seal.

(2) Levy ad valorem taxes upon all the taxable property within the district as provided in Section 11 of this Act.

(3) Take measures necessary and proper for the control of all species of mosquitoes and other arthropods of public health importance by providing for the construction and maintenance of impoundments of canals, ditches, drains, dikes, fills and other necessary works, installing and maintaining pumps, excavators, and other machinery and equipment, and employing larvicides and other control materials meeting the standards established by the department.

(4) Acquire by purchase, gift, grant, bequest, devise, or through condemnation proceedings in the manner provided in KRS 416.010 to 416.080, such lands or rights of way as are necessary for the exercise of the authorized functions of the district.

(5) Hold, lease, and convey real estate and personal property deemed necessary and proper to carry out the purposes of the mosquito control law.

(6) Employ a district superintendent who is an engineer, entomologist, or otherwise qualified as an arthropod control specialist, and other personnel required in performance of the authorized functions of the district.

(7) Borrow money in anticipation of revenue receipts to meet the current expenses of the district. Such current borrowing shall not exceed seventy-five per cent of the unrealized and unencumbered revenue estimated in the budget to be derived from the tax levy for the then current fiscal year.

(8) Conduct arthropod control measures in cooperation or by contract with individuals, firms, corporations, and federal, state, and local governmental agencies.

Section 9. The fiscal year of each mosquito control district shall begin on July 1 and end on June 30 next following. All district reports, budgets, appropriations and tax levies shall be made with reference to specific fiscal years or fractions thereof.

Section 10. Sixty days prior to initiation of operations, the board of supervisors of each newly established mosquito control district shall submit to the committee and the fiscal court of the county in which the district is located, in such detail as may be required by the committee a plan of procedure and operation. Thereafter, each operating district shall submit to the committee and the fiscal court of the county, at least sixty days prior to the expiration of the fiscal year, such a plan of procedure and operation for the ensuing year. The committee and the fiscal court shall advise each district as to the best and most effective measures to be used in bringing about the permanent elimination of breeding conditions. Committee approval shall be required prior to participation by a district in contract or program agreements involving state or federal funds.

Section 11. (1) The board of supervisors of a mosquito control district may by resolution levy upon all of the real and personal taxable property in the district a special tax at a rate not to exceed ten cents upon the adjusted one hundred dollar valuation for state and county taxes, for administration, construction, operation and maintenance of works of improvement within the district. The tax shall be based upon the last preceding assessment for state and county purposes; its collection shall conform to the collection of taxes for counties; and it shall constitute a lien against the property subordinate only to state, county and city ad valorem taxes. The tax shall be added by the county clerk, as a separate item, to the state and county tax bill following the levy of the tax.

(2) The sheriff shall collect the taxes due the district at the same time and in the same manner in which he collects the state and county ad valorem tax and shall in like manner report to the county court and make his annual and final settlement with the fiscal court of the county or counties involved.

(3) Such taxes shall be subject to the same due and delinquency date, discounts, penalties, and interest as are applied to the collection of county ad valorem taxes.

(4) Tax funds collected shall be transferred to and held by the secretary-treasurer of the mosquito control district for the specific purpose for which they have been levied. All expenditures of such funds shall be made by the board of supervisors upon order of the board.

Section 12. Two or more adjacent mosquito control districts may, by written agreement of the boards of supervisors, arrange for combining mosquito control funds, apportioning costs, co-operating, and engaging jointly in mosquito control projects. The immediate control and management of the joint project may be entrusted to a joint committee composed of the chairman of each of the boards or such other board members as may be agreed upon.

Section 13. At any time after three years from the organization of a mosquito control district, ten per cent of the legal voters voting in the last preceding election may petition the county judge that the question of discontinuing the district be submitted to the voters of the county at the next general election held in the county that does not occur within less than ninety days after filing of the petition. The petition shall state the reasons for discontinuance and that all obligations of the district have been met or provided for. Action shall be taken on the petition as provided in Section 5 of this Act.

HB 233, AN ACT relating to the power of eminent domain vested in rural electric cooperative corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Subsection (4) of Section 279.110 of the Kentucky Revised Statutes is amended to read as follows:

(4) Any corporation created under the provisions of Chapter 279 of the Kentucky Revised Statutes may have and exercise the right of eminent domain in the manner provided in 416.010 to 416.080 or in the manner provided in 416.230 to 416.300 as the corporation may elect.

HB 231, AN ACT appropriating money out of the General Expenditure Fund in the State Treasury for the purpose of paying certain claims which have been duly audited and approved according to law but which have not been paid because of the lapsing or insufficiency of former appropriations against which said claims were chargeable.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. There is appropriated out of the General Expenditure Fund in the State Treasury for the purpose of compensating persons and companies herein named for claims which have been duly audited and approved according to law but which have not been paid because of lapsing of former appropriations against which said claims were chargeable, the sum hereinafter specified:

1.	T. E. Stanley Bardwell, Kentucky	$ 231.59
2.	Judiciary— Circuit Courts' Salaries— Expenses of Circuit Judges— Employer's Share FICA	13.83
3.	Harlan Motor Company Harlan, Kentucky	5.88

4.	J. A. Smith Perry County Judge Hazard, Kentucky	30.00
5.	D-X Sunray Oil Company Terre Haute, Indiana	230.30
6.	Aetna Steel Products Company c/o E. H. Straus Company 1115 Delaware Avenue Lexington, Kentucky	18.74
7.	Victor A. Bradley, Jr. Special Judge Georgetown, Kentucky	300.00
8.	Backus Brothers Company 212-218 East Third Street Cincinnati 2, Ohio	1,600.00
9.	Womwell Automotive Parts Co. 240 Clark Street Lexington, Kentucky	4.47
10.	Picker X-Ray Corporation 25 South Broadway White Plains, New York	185.24
11.	Ashland Publishing Company Box 311 Ashland, Kentucky	113.00
12.	R. B. Smalley Circuit Court Clerk Harrodsburg, Kentucky	170.93

Section 2. The persons and companies named above having in good faith furnished the services, supplies, and materials enumerated in Section 1 and the Commonwealth having received the benefits of same an emergency is declared to exist and this Act shall take effect upon its passage and approval by the Governor.

HB 121, AN ACT relating to blind persons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 163.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) The State Rehabilitation Agency in the Department of Education, with the approval of the Superintendent of Public Instruction and the State Board of Education shall establish and maintain a business enterprise program for the blind. In connection therewith the agency shall be authorized to own, lease, manage, supervise and operate vending stands and other business enterprises for the use or benefit of blind persons in federal, state, private and other buildings.

(2) The share of expenses of this program to be charged to each enterprise shall not exceed three percent of the gross receipts of such enterprise above the amount of one hundred and twenty-five dollars gross sales per week, the first one hundred and twenty-five dollars per week being exempt from any such fee.

(3) One or more stand placement agents shall be employed to locate and establish additional vending stands.

(4) The State Rehabilitation Agency in the Department of Education shall make such surveys as may be deemed necessary to determine the vending stand opportunities for blind persons in state buildings or on other property owned, leased, or otherwise occupied by the state government and may install vending stands in suitable locations on such property for the use of the blind.

(5) All of the net income from vending machines which are on the same property as a vending stand shall be paid to the blind operator of the vending stand.

(6) Whenever there exists a conflict of interests between state agencies seeking to vend merchandise on the same state property, the agencies shall negotiate a fair agreement which will protect the interest of both from unreasonable competition. Such agreements shall be submitted to the custodial authority having jurisdiction over the property for approval. Provided, however, that in all situations the operator shall be permitted to vend all items of merchandise customarily sold at similar vending stands.

Committee on Ky. Statutes #1 reported **HB 139** with the expression of opinion that the same should pass with Committee Amendment attached thereto.

Said Committee Amendment to **HB 139** is as follows:

Amend printed copy of House Bill No. 139 on page 10, line 15, through line 24 on page 10, by: striking and deleting from the aforesaid Bill, Section 9 in its entirety.

HB 139 read at length for the first time and ordered placed in the Calendar.

HB 139, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 281.011 is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) The term "carrier" or "motor carrier" means any person who owns, controls, operates, manages or leases, except persons leasing to authorized carriers, any motor vehicle for the transportation of persons or property for hire upon any highway, and any person who en-

gages in the business of U-Drive-It. It shall include common and contract carriers by motor vehicle, city and suburban buses, driveaways and U-Drive-Its;

(2) The term "motor vehicle" means any motor propelled vehicle used for the transportation of persons or property [for-hire] on a public highway, including any such vehicle operated as a unit in combination with other vehicles, and including vehicles propelled by electric power obtained from overhead wires whether operating over rails or otherwise, *except that it shall not include motor vehicles primarily designed for carrying not more than nine passengers, including the driver; motorcycles; and government or publicly owned vehicles, but shall include taxicabs, airport limousines, and U-Drive-It vehicles;*

(3) The term "common carrier" means any person who holds himself out to the general public to engage in the transportation by motor vehicle of persons or property in intrastate or interstate commerce over regular routes, except that persons holding irregular route common carrier authority granted by the Interstate Commerce Commission, taxicabs, and local cartage vehicles are not required to move over regular routes;

(4) The term "irregular route common carrier" means any person who holds himself out to the general public to engage in the transportion by motor vehicle over irregular routes of specific commodities which have been, or will be, designated by the department as exempted commodities, including specific commodities removed from the exempted commodity list by the department where the right to engage in the transportation of same has been properly grandfathered into the appropriate authority under the applicable statutes;

(5) The term "contract carrier" means any person who, under individual contracts or agreements, engages in the transportation, other than transportation referred to in subsections (3) and (4) by motor vehicle of passengers or property in interstate or intrastate commerce;

(6) The term "driver" or "chauffeur" means the person physically operating the motor vehicle;

(7) The term "regular seat" means a seat ordinarily and customarily used by one passenger and in determining such seating capacity the manufacturer's rating may be considered.

Section 2. Section 281.600 of the Kentucky Revised Statutes is amended to read as follows:

The Department of Motor Transportation shall exercise all administrative functions of the state in relation to motor transportation as defined in this chapter, and shall apply, as far as practicable, the administrative and judicial interpretations of the Federal Motor Carrier Act. It shall have the right to regulate motor carriers as provided in this chapter, and to that end may establish reasonable requirements with respect to continuous and adequate service of transportation, systems of accounts, records and reports, preservation of records and safety of operation and equipment. It may issue subpoenas duces tecum and orders of personal attendance for the attendance of witnesses, and production of pertinent records, for any proceeding before it, and permit the taking of depositions, all in accord with the Civil Code of practice, and it shall have the power to make such rules and regulations as it may deem necessary to carry out the provisions of this chapter. *The department shall have the authority to promulgate regulations regarding safety requirements for motor vehicles and the method of operation, and any motor vehicle operating contrary to such safety rules and regulations shall be in violation of this section.*

Section 3. Section 281.634 of the Kentucky Revised Statutes is repealed.

Section 4. Section 281.640 of the Kentucky Revised Statutes is amended to read as follows:

Hearings before the department may be held at the most convenient place for the parties and witnesses. The hearing shall be conducted by an examiner, [appointed by the commissioner] who shall be a practicing attorney in this state and who shall be a full-time employee of the department. *The examiner shall be appointed by the commissioner of the department.* After the final conclusion of the hearing, the examiner shall make a report and recommended order, which report and recommended order shall contain a finding of fact and a conclusion of law, and such report and recommended order shall be served by [certified] mail upon each of the parties. Any of the parties thereto may, within twenty days after the date of the report and recommended order, file and serve exceptions thereto and reasons in support thereof. Replies may be served and filed within twenty days after the date of the filing of exceptions. Thereafter the commissioner or one of the assistant commissioners shall consider and pass upon the case. When passed upon by the commissioner or when passed upon by an assistant commissioner and approved by the commissioner, the decision shall be served by [certified] mail upon all parties and shall be a final order of the department. The report and recommended order will not become the decision of the department through failure to file exceptions, but, in the absence of exceptions, ordinarily will be taken by the department as the basis of its decision. However, nothing herein contained shall prevent the commissioner from holding or conducting any hearing, referred to herein, in regard to rates, fares and charges, and his decision shall be the final order of the department.

Section 5. Section 281.665 of the Kentucky Revised Statutes is amended to read as follows:

[(1) Any bona fide motor carrier or its successor operating city buses as of December 31, 1949, under a valid certificate, franchise, statute, authorization, or in bona fide operation on said date, shall be entitled to such certificate or certificates and of such type or types as are defined in this chapter that cover their operations as of December 31, 1949.]

(1) If any person or predecessor in interest was in bona fide operation as a motor carrier or a local cartage operator by motor vehicle on December 31, 1953, over the route or routes or within the territory for which application is made and has so continuously operated since that time, the department shall issue a certificate or permit granting such authority as the proof of past operations may warrant after a hearing held to determine that the applicant has so operated without requiring further proof that convenience and necessity will be served by such operation.

[(2) Any holder of any other type of valid certificate or permit issued prior to June 15, 1950, shall be entitled, upon renewal, to such certificates or permits, as the case may be, that will grant the holder thereof the same authority that the certificates or permits held on June 15, 1950, granted.]

(2) Whenever the department, in the exercise of its powers pursuant to KRS 281.625, shall cease to designate any given commodity or commodities as an exempted commodity, any motor carrier operating as of the date of the department's action pursuant to a certificate or permit authorizing the transportation of such commodity or commodities, may be entitled to such authority as will thereafter authorize continuation of the same operation which was being conducted at the time of the department's action in removing the item or items.

(3) All certificates or permits grandfathered shall be subject to the same limitations and restrictions as were *formerly* imposed on such certificates or permits and if the validity of any certificate or permit issued by the [Division of Motor Transportation] department was *or is* in litigation [on December 31, 1949] *at the time of its grandfathering date,* and is finally held to be invalid, then such certificate or permit shall not be grandfathered.

[(4) Any person operating a motor vehicle exclusively engaged in the transportation of property for hire between points within a city or between such city and its commercial area, as of December 31, 1953, or who has purchased such an operation which was being so operated, upon filing a verified application, supported by documentary evidence showing that said operation has been actual and continuous since said date, upon approval of the department, pursuant to a hearing, shall be entitled to such local cartage certificate or certificates, as the proof may warrant.]

[(5) Any person engaged, as of December 31, 1953, in the operation of an airport limousine busines may, upon application, be entitled to such certificate or certificates of such type or types as are defined in this chapter to cover their airport limousine operations as of December 31, 1953, and if the department so desires, it may require a hearing upon any such application to establish the applicant's rights thereunder.]

[(6) Any person engaged, as of December 31, 1953, in the operation of a U-Drive-It business may, upon application, be entitled to such certificate or certificates of such type or types as are defined in this chapter to cover their U-Drive-It operations as of December 31, 1953, and if the department so desires, it may require a hearing upon any such application to establish the applicant's rights thereunder.]

[(7) Whenever the department, in the exercise of its powers pursuant to KRS 281.625, shall cease to designate any given commodity or commodities as an exempted commodity, any motor carrier operating as of the date of the department's action pursuant to a certificate or permit authorizing the transportation of such commodity or commodities, may be entitled to such authority as will thereafter authorize continuation of the same operation which was being conducted at the time of the department's action in removing the item or items.]

[(8) All certificates or permits grandfathered shall be subject to the same limitations and restrictions as were formerly imposed on such certificate or permits and if the validity of any certificate or permit issued by the department was or is in litigation at the time of its grandfathering date, and is finally held to be invalid, then such certificate or permit shall not be grandfathered.]

[(9) Any holder of any other type of valid certificate or permit issued prior to July 1, 1958, shall be entitled, upon renewal, to such certificates or permits, as the case may be, that will grant the holder thereof the same authority that was granted by the certificates or permits held on July 1, 1958.]

Section 6. Section 281.680 of the Kentucky Revised Statutes is amended to read as follows:

(1) Under rules and regulations prescribed by the department, every common carrier or irregular route common carrier shall maintain on file with the department a schedule of rates, fares, charges and classifications, and a time schedule, if any, of all motor vehicles operated under a certificate, and shall keep open for public inspection at designated offices so much of such schedules as the department deems necessary for public information. *The carriers may become a participating party to a tariff published or issued by another carrier or a tariff issuing agency, and the issuing agent of the tariff may file*

the tariff with the department, but such tariff issuing agent may not represent any carrier in any matters before the department.

(2) Under rules and regulations prescribed by the department, every contract carrier shall maintain on file with the department all contracts made for transportation, and shall keep open for public inspection at designated offices such contracts as the department deems necessary for public information.

(3) No schedule of rates need be filed for the transportation of any commodity that has been exempted by the department, except that the department may require the filing of a schedule of rates.

(4) The department shall have full power concerning the control of rates and contracts under its rules and regulations.

Section 7. Section 281.751 of the Kentucky Revised Statutes is amended to read as follows:

[The department shall charge a fee of twenty dollars each for the issuance of plates, decals, signs or papers as may be necessary for the registration of trailers or semitrailers which are operated by carriers or motor carriers under the jurisdiction of the department; provided, however, that the provisions of this section shall not be applicable with respect to:]

Trailers or semitrailers which are operated by carriers or motor carriers under the jurisdiction of this department shall be registered by the owner or operator thereof applying to the county court clerk of the county in which he resides or in which such vehicle is principally operated, in accordance with KRS 186.655; provided, however, that the provisions of this section do not apply to the following:

(1) Trailers or semitrailers operated in interstate commerce in this state by carriers or motor carriers domiciled in a state other than this state when used in combination with power units licensed in a state other than this state, said power units being lawfully entitled to reciprocal privileges in this state under the circumstances being operated; or

(2) Trailers or semitrailers operated in interstate commerce in this state by carriers or motor carriers domiciled in a state other than this state when used in combination with power units licensed in a state other than this state, said power units not being lawfully entitled to reciprocal privileges in this state under the circumstances being operated if said power units are at the time properly licensed in this state or are operated under a lawful exemption from the requirements of licensing in this state; or

(3) Trailers or semitrailers operated in interstate commerce in this state on a lawful interchange basis by carriers or motor carriers domiciled in this state.

Section 8. Section 281.752 of the Kentucky Revised Statutes is amended to read as follows:

The department may, by regulation, prescribe and charge a fee, not to exceed one dollar in each instance, for the issuance of such identifying plates, decals, cards, signs or papers, for the identification of motor vehicles, [operated by carriers or motor carriers under the jurisdiction of the department,] which vehicles have been qualified for, and have been granted reciprocal privileges in Kentucky in regard to motor vehicle registration fees and highway use taxes. The commissioner may by reciprocal agreement with the proper officials of other jurisdictions waive such fees applicable to residents of such other jurisdictions which afford like privileges to residents of Kentucky.

Section 9. Section 281.770 of the Kentucky Revised Statutes is amended to read as follows:

In addition to all other enforcement agencies, the Department of Motor Transportation [and the Department of Revenue are] *is* hereby authorized to issue commissions to [their] *its* employees as law enforcement officers, and such employees when so commissioned shall have all the powers of peace officers in respect to the enforcement of this chapter and all the statutes relating to motor vehicles, whether such vehicles be operated as a private carrier or for-hire carrier.

Section 10. Section 281.780 of the Kentucky Revised Statutes is amended to read as follows:

(1) An appeal to the Franklin Circuit Court may be taken from any final order of the department by anyone who was a party to the proceedings before it, *or from any order granting temporary authority or approval under KRS 281.632 by any motor carrier affected thereby.*

(2) In the case of an appeal wherein a certificate or permit has been issued or amended or revoked or suspended or sold or transferred, the certificate or permit or its amendment shall remain in force until final disposition of the appeal.

(3) An appeal may be taken by filing a petition of appeal with the Clerk of the Franklin Circuit Court within twenty days after the rendition of the final order *or order granting temporary authority or approval under KRS 281.632* of the department. The petition shall state completely the grounds upon which the review is sought and shall assign all errors relied upon. The appellant shall furnish a copy of the petition to each person who was a party to the hearing before the department. Summons shall be issued upon the petition directing the adverse party or parties to file answer within fifteen days after service of summons. The department shall,

upon being served with the summons, and within thirty days thereafter, file a copy of the record, duly certified by the commissioner, the cost of such record to be taxed as costs upon appeal. In lieu of filing of such record, an abstract thereof may be filed if agreed to by all parties to the hearing.

Section 11. Section 281.810 of the Kentucky Revised Statutes is amended to read as follows:

(1) On or before January 1 of each year and as a condition precedent to the use of the highways, every motor carrier operating motor vehicles primarily engaged in the transportation of property for hire or operated under a U-Drive-It permit shall pay to the Department of Motor Transportation for the privilege of using the highways an annual excise tax upon each motor vehicle so used based on the declared gross weight of the motor vehicle as set out in KRS 186.030, in addition to the basic registration fee set out in KRS 186.050, and in lieu of the taxes imposed by KRS 186.055 as follows:

Gross Weight	Fee
0- 5000	$ 22.00
5001- 8000	30.00
8001-10000	48.00
10001-12000	52.00
12001-14000	57.00
14001-16000	62.00
16001-18000	70.00
18001-21000	101.00
21001-24000	132.00
24001-27000	161.00
27001-30000	185.00
30001-33000	208.00
33001-36000	235.00
36001-39000	272.00
39001-59640	325.00
59640-73280	500.00

(2) The tax shall be increased fifty percent on each motor vehicle not equipped wholly with pneumatic tires.

(3) On or before January 1 of each year and as a condition precedent to the use of the highways, every motor carrier engaged in the driveaway business shall pay an annual license fee of two hundred fifty dollars which shall be in lieu of the weight tax set out in subsection (1) of this section.

[(4) In order to permit licensing of motor vehicles under this section for weights in excess of 59,640 pounds during the period from July 1, 1960 to December 31, 1960, the department shall license such vehicles for an additional fee equal to one-half the difference between the fee previously paid for the current licensing year and the maximum fee provided herein.]

(4) The department may, by regulation, require that the weight tags issued as evidence of the payment of the annual excise tax imposed by subsections (1) and (2) be issued by the county court clerks. In the event such regulations are adopted by the department, (a) the tags shall be issued to the owner of the vehicle; (b) the provisions of KRS 281.825 (3) shall not be applicable, and whenever such vehicle is destroyed or whenever the ownership of a vehicle for which the weight fees are paid under KRS 281.810 is changed and the use of such vehicle is changed so that it is no longer liable for the payment of such weight tax, a refund of the portion of the tax paid allocable to the remainder of the unexpired period for which the tax was paid may be had by the owner of the vehicle applying to the Department of Revenue and submitting such evidence as the Department of Revenue may require, together with the weight plate from the vehicle. The Department of Revenue may approve same for refund, whereupon the Department of Finance shall draw a warrant upon the State Treasury in favor of the owner of the vehicle and charge the amount to the State Road Fund; and (c) the department may also provide that the weight tag will not be required to be displayed on the vehicle before March 1 of each year. In all other respects, the clerk shall remit funds and issue the weight plates furnished by the department in the same manner and for the same clerk's fees as provided for the issuance of weight plates for commercial vehicles in Chapter 186 of the Kentucky Revised Statutes.

Section 12. A new section of the Kentucky Revised Statutes is created to read as follows:

The Department of Motor Transportation shall have the authority to file the notice of a lien with the county court clerk prescribed in KRS 134.420 (2), with respect to any license tax, excise tax, motor fuel tax, or other motor vehicular tax administered by the department.

Committee on Ky. Statutes #1 reported **HB 117, SB 219** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 117, AN ACT relating to the Department of Public Safety creating a Board of Boiler Rules.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be known and may be cited as the Boiler Safety Act, and, except as otherwise provided herein shall apply to all boilers.

As used in this Act, (1) "Boiler" or "boilers" shall mean and include steam or vapor boilers, hot water heating boilers and hot water supply boilers.

(2) "Commissioner" means the Commissioner of Public Safety.

(3) "Department" means the Department of Public Safety.

(4) "ASME" means American Society of Mechanical Engineers.

Section 2. (1) In the Department of Public Safety there shall be a Board of Boiler Rules, which shall hereafter be referred to as the Board, consisting of five members including the Commissioner who shall serve as chairman. The other members shall be appointed to the Board by the Governor; one for a term of one year, one for a term of two years, one for a term of three years, and one for a term of four years, or until their successors are appointed and qualified. At the expiration of their respective terms of office, they, or their successors identifiable with the same interest respectively as hereinafter provided, shall be appointed for terms of four years each. The Governor may at any time remove any member of the Board. Upon the death or incapacity of any member the Governor shall fill the vacancy for the remainder of the vacated term with a representative of the same interests with which his predecessor was identified. Of these four appointed members, one shall be a practical steam operating engineer of high pressure boilers, or any other representative of owners and users of high pressure boilers within the state, one shall be a representative of the boiler manufacturers within the state, one shall be a representative of a boiler insurance company licensed to do business within the state, and one shall be a representative of the boilermakers within the state. The Board shall meet at least four times each year at the Capitol or other place designated by the Board. No approval, decision or ruling of the Board shall be effective unless supported by the vote of at least three members thereof.

(2) The members of the Board shall serve without salary and shall receive their actual necessary expenses, incurred while in the performance of their duties as members of the Board, to be paid in the same manner as in the case of other state officers.

Section 3. After reasonable notice and opportunity to be heard, the Commissioner of Public Safety, upon advisement by the Board, shall, by general order, rule or regulation, fix reasonable standards for the safe construction, installation, use, inspection and repair of boilers in this state. Orders, rules and regulations prescribed by the Board shall be enforced by the Department of Public Safety.

Section 4. No boiler which does not conform to the rules and regulations formulated by the Commissioner governing new construction and installation shall be installed and operated in this state after twelve months from the date upon which the first rules and regulations under this Act pertaining to new construction and installation shall have become effective.

Section 5. (1) The maximum allowable working pressure of a boiler carrying the ASME code symbol shall be determined by the applicable sections of the code under which it was constructed and stamped.

(2) The maximum allowable working pressure of a boiler which does not carry the ASME code symbol shall be computed in accordance with the ASME "Suggested Rules Governing Existing Installations."

(3) This Act shall not be construed as in any way preventing the use or sale of a boiler referred to in this section provided it has been made to conform to the rules and regulations of the Commissioner governing existing installations, and provided, further, it has not been found upon inspection to be in an unsafe condition.

Section 6. (1) This Act shall not apply to boilers under Federal control.

(2) This Act shall not apply to the following boilers:

(a) Boilers located on farms and used solely for agricultural purposes;

(b) Boilers located at any oil refineries;

(c) Steam or vapor boilers used for heating purposes carrying a pressure of not more than 15 pounds per square inch gauge, and which are located in private residences or in apartment houses of less than six families;

(d) Hot water heating boilers carrying a pressure of not more than 30 pounds per square inch gauge, or hot water supply boilers which are located in private residences or in apartment houses of less than six families;

(e) Any unfired pressure vessels used as containers for liquefied petroleum gases and subject to the jurisdiction of the Department of Public Safety under Kentucky Revised Statutes, Chapter 234.

Section 7. The Department shall employ Boiler Inspectors who shall have had at the time of appointment not less than five years practical experience in the construction, maintenance, repair or operation of high pressure boilers and unfired pressure vessels as a mechanical engineer, practical steam operating engineer, boilermaker, or boiler inspector, and who shall have passed the examination provided for in Section 9 of this Act.

Section 8. (1) In addition to the Boiler Inspectors authorized by Section 7 of this Act, the Department may, in its discretion, upon the request of any company authorized to insure against loss from explosion of boilers in this state, issued to any boiler inspectors of said company commissions as Special Boiler Inspectors, provided that each such Special Boiler Inspector before receiving such commission, shall satisfactorily pass the examination provided for in Section 9 of this Act, or, in lieu of such examination, shall hold a Commission of Competency as an inspector of boilers for a state that has a standard of examination substantially equal to that of this Commonwealth or a Commission as an inspector of boilers issued by the National Board of Boiler and Pressure Vessel Inspectors.

(2) Such Special Boiler Inspectors shall receive no salary from, nor shall any of their expenses be paid by, the state and the continuance of a Special Boiler Inspector's Commission shall be conditioned upon his continuing in the employ of a boiler insurance company duly authorized as aforesaid and upon his maintenance of the standards imposed by this Act.

(3) Such Special Boiler Inspectors shall inspect all boilers insured by their respective companies, and, when so inspected, the owners and users of such insured boilers shall be exempt from the payment to the state of the inspection fees as provided for in Sections 12 and 14 of this Act.

(4) Each company employing such Special Boiler Inspectors shall within thirty days following each internal boiler inspection made by such inspectors, file a report of such inspection with the Department upon appropriate forms prescribed by the Department. Reports of external inspections shall not be required except when such inspections disclose that the boiler is in a dangerous condition.

(5) Inspectors, whether employees of the Department or Special Inspectors, shall have free access, during reasonable hours, to any premises in the state where a boiler is being constructed or is being installed, for the purpose of ascertaining whether such boiler is constructed and installed in accordance with the law, and any orders, rules or regulations in existence at that time.

Section 9. Examination for Boiler Inspectors or Special Boiler Inspectors shall be in writing and shall be given by the Department of Personnel. The record of an applicant's examination shall be accessible to said applicant and his employer.

Section 10. (1) Any Boiler Inspector's appointment or commission may be suspended by the Department, after due investigation, for the incompetence or untrustworthiness of the holder thereof for willful falsification of any matter or statement contained in his application or in a report of any inspection made by him. Written notice of any such suspension shall be given by the Department, to the inspector, and in the case of Special Boiler Inspector, his employer.

(2) A person whose appointment or commission has been suspended shall be entitled to apply, after ninety days from the date of such suspension for reinstatement of such appointment or commission.

Section 11. (1) On and after July 1, 1962, each boiler used or proposed to be used within this state, except boilers exempt under Section 6 of this Act, shall be thoroughly inspected as to their construction, installation and condition as follows:

(a) Power boilers, meaning boilers operating at steam or vapor pressures in excess of 15 pounds per square inch gauge, shall be inspected annually both internally and externally while not under pressure and shall also be inspected annually externally while under pressure if possible;

(b) Low pressure steam or vapor heating boilers, hot water heating boilers and hot water supply boilers shall be inspected both internally and externally biennially where construction will permit;

(c) A grace period of two months beyond the periods specified in subdivisions (a) and (b) of this section may elapse between inspections;

(d) The Department may at its discretion permit longer periods between inspections.

(2) The inspections herein required shall be made by a Boiler Inspector or by a Special Boiler Inspector provided for in this Act.

(3) If at any time a hydrostatic test shall be deemed necessary, same shall be made, at the discretion of the inspector, by the owner or user thereof.

(4) All boilers to be installed in this state after the twelve months period from the date upon which the rules and regulations of the Board shall become effective, shall be inspected during construction as required by the applicable rules and regulations of the Department by a Boiler Inspector authorized to inspect boilers in this state, or, if constructed outside of the state, by an inspector holding a Certificate of Competency as an inspector of boilers for a state that has a standard of examination substantially equal to that of this state as provided in Section 9.

Section 12. (1) If, upon inspection, a boiler is found to comply with the rules and regulations of the Board, the owner or user thereof shall pay to the Department the sum of two dollars ($2.00) and the Boiler Inspector, or his duly authorized representative, shall issue to such owner or user an Inspection Certificate bearing the date of inspection and specifying the maximum pressure under which the boiler may be operated. Such Inspection Certificate shall be valid for not more than fourteen months from its date in the case of power boilers, and twenty-six months in the case of low pressure steam or vapor heating boilers, hot water heating boilers or hot water supply boilers. Certificates shall be posted under glass in the room containing the boiler inspected or, in the case of a portable boiler, shall be kept in a metal container, either fastened to the boiler or kept in a tool box accompanying the boiler.

(2) No Inspection Certificate issued for an insured boiler inspected by a Special Boiler Inspector shall be valid after the boiler for which it was issued shall cease to be insured by a company duly authorized by this state to carry such insurance.

(3) The Commissioner or his authorized representative may at any time suspend an Inspection Certificate when, in his opinion, the boiler for which it was issued, cannot be operated without menace to the public safety, or when the boiler is found not to comply with the rules and regulations herein provided. A Special Boiler Inspector shall have corresponding powers with respect to Inspection Certificates for boilers insured by the company employing him. Such suspension of an Inspection Certificate shall continue in effect until such boiler shall have been made to conform to the rules and regulations of the Board, and until said Inspection Certificate shall have been reinstated.

Section 13. After twelve months following the date on which this Act becomes effective, it shall be unlawful for any person, firm, partnership or corporation to operate in this state a boiler under pressure without a valid Inspection Certificate. The operation of a boiler without such Inspection Certificate, or at a pressure exceeding that specified in such Inspection Certificate, shall constitute a misdemeanor on the part of the owner, user or operator thereof and shall be punishable by a fine not exceeding five hundred dollars, or imprisonment not to exceed three months, or both, at the discretion of the court. Each day of such unlawful operation shall be deemed a separate offense.

Section 14. (1) The owner or user of a boiler required by this Act to be inspected shall pay to the Department, upon completion of inspection, fees in accordance with the following schedule:

(a) Power Boilers:

Internal Inspections

Boilers of less than 50 sq. ft. of heating surface	$ 5.00
Boilers over 50 sq. ft. of heating surface and less than 4,000 sq. ft. of heating surface	12.00
Boilers over 4,000 sq. ft. of heating surface and less than 10,000 sq. ft. of heating surface	15.00
Boilers over 10,000 sq. ft. of heating surface	20.00

External Inspections

Boilers of less than 50 sq. ft. of heating surface	3.00
Boilers over 50 sq. ft. of heating surface	5.00

Not more than the equivalent of the internal and external inspection fees shall be charged or collected for any and all inspections as above of any boiler in any one year.

(b) Low Pressure Boilers:

Inspection of heating boilers without a manhole	$ 5.00
Inspection of heating boilers with a manhole	10.00
Inspection of hot water supply boilers	3.00

Not more than one fee shall be charged or collected for any and all inspections as above of any low pressure boiler in any two year period.

(c) Hydrostatic Tests:

When it is necessary to make a special trip to witness the application of a hydrostatic test, an additional fee based on the scale of fees applicable to an internal inspection of the boiler shall be charged.

(d) All other inspections, including shop inspections and inspection of second-hand or used boilers made by the Boiler Inspector shall be charged for at the rate set by regulation rule or order promulgated by the Commissioner upon advice of the Board.

(2) All fees received by the Department shall be held in a revolving fund from which the expenses of administering this Act may be paid.

Section 15. The Boiler Inspectors shall furnish a bond in the sum of five thousand dollars ($5,000.00) each, conditioned upon the faithful performance of their duties and upon a true account of moneys handled by them respectively and the payment thereof to the proper recipient. The cost of said bonds shall be paid by the Department.

Section 16. Any person aggrieved by an order or act of a Boiler Inspector, under this Act, may, within fifteen days of notice thereof, appeal from such order or act to the Commissioner who shall, within thirty days thereafter, hold a hearing, after having given at least ten days written notice to all interested parties. The Commissioner shall, within thirty days after such hearing, issue an appropriate order either approving or disapproving said order or act. A copy of such order by the Board shall be given to all interested parties.

Within thirty days after any order or act of the Board, any person aggrieved thereby may file a petition in the Franklin Circuit Court for a review thereof. The court shall summarily hear the petition and make any appropriate order or decree.

SB 219, AN ACT relating to public works.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) For the purpose of KRS 337.510 to 337.550, the term "prevailing wage" for each classification of laborers, workmen, mechanics, helpers, assistants, and apprentices engaged in the construction of public works within the Commonwealth of Kentucky means:

(a) The wages that are or have been paid to the majority of laborers, workmen, mechanics, helpers, assistants and apprentices employed in each classification of construction upon reasonably comparable construction in the locality where the work is to be performed; such wages shall be determined in accordance with paragraphs (a), (b) and (c) of subsection (3) of section 2 of this Act;

(b) In the event that there is not a majority paid at the same rate, then the rate paid to the greater number: Provided, such greater number constitutes thirty percent of those employed; or

(c) In the event that less than thirty percent of those employed receive the same rate, then the average rate.

(2) The term "average rate" for each classification means the rate obtained by adding the hourly rates paid to all workers in the classification and dividing by the total number of such workers.

Section 2. Section 337.520 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commissioner shall make initial determinations and current revisions thereof of schedules of rates of prevailing wages as defined in section 1 of this 1962 Act.

The commissioner shall have the authority to make and revise such rules and regulations, including definitions of terms, as he may deem appropriate to carry out the provisions and purposes of KRS 337.510 to 337.550 and to prevent the circumvention or evasion thereof. No rule or regulation or revisions thereof shall be issued by the commissioner except upon reasonable notice to, and opportunity to be heard by, any interested person.

(2) The commissioner shall require the filing of all wage contracts of all laborers, workmen, mechanics, helpers, assistants and apprentices in this state which have been agreed to between bona

fide organizations of labor and an employer or associations of employers. Such contracts shall be filed within ten days after they are signed.

(3) The commissioner shall have the authority to determine schedules, and current revisions thereof, of the rates of prevailing wages as defined in section 1 of this 1962 Act, but in no case shall the commissioner determine wages to be paid for a legal day's work to laborers, workmen, mechanics, helpers, assistants and apprentices engaged in the construction of public works at less than the prevailing wages paid in the localities.

The commissioner in determining what rate of wages prevail shall consider the following criteria:

(a) Wage rates paid on previous public works constructed in the localities. In considering such rates the commissioner shall ascertain, in so far as practicable, the names and addresses of the contractors including sub-contractors, the locations, approximate costs, dates of construction and types of projects, the number of workers employed on each project and the respective wage rates paid each worker who was engaged in the construction of these projects.

(b) Wage rates previously paid on reasonably comparable private construction projects constructed in the localities. In considering such rates the commissioner shall ascertain, in so far as practicable, the names and addresses of the contractors including sub-contractors, the locations, approximate costs, dates of construction and types of projects, the number of workers employed on each project and the respective wage rates paid each worker who was engaged in the construction of these projects.

(c) Collective bargaining agreements or understandings between bona fide organizations of labor and their employers located in the Commonwealth of Kentucky which agreements apply or pertain to the localities wherein the public works are to be constructed.

(4) The wage rates to be used by the public authority in a contract for the construction of public works shall be the prevailing wage as of the date the public works project is advertised and offered for bid. If contracts are not awarded within ninety days after the date of offering for bid the public authority shall reascertain the prevailing rate of wages from the department before the contract is awarded. The schedule or scale of prevailing wages shall be incorporated in and made a part of each contract.

(5) The commissioner may, but shall not be required to, conduct public hearings pursuant to initial determinations, or current revisions thereof of prevailing wage schedules for the construction of public works pertaining to a locality; however, prior to advertising for bids for the construction of a public works project, a public au-

thority may request and shall be granted a hearing for the purpose of having considered a revision of the prevailing wage schedule for the construction of public works in the locality pertaining to the public authority.

(6) A hearing required by subsection (5) of this section shall be conducted by a Prevailing Wage Review Board consisting of one member representing employers in the construction industry, one member representing labor in the construction industry, and one member appointed by the public authority requesting the hearing. The member appointed by the public authority shall reside in the locality wherein the public works are to be constructed. The members of the board representing employers in the construction industry and labor in the construction industry shall be appointed for periods of not more than four years by the Governor from a list of prospective members recommended by bona fide associations representing the construction industry and bona fide labor organizations representing workers employed in the construction industry, and such members shall serve on the board for all hearings during their tenure. Prevailing Wage Review Boards shall have the authority to revise prevailing wage schedules for the construction of public works, however, such revisions shall be governed by the same criteria and regulations governing wage determinations of the commissioner. A revision of a prevailing wage schedule for the construction of public works shall require a vote of a majority of the members. The members of a Prevailing Wage Review Board shall receive their actual necessary expenses incurred in carrying out their duties.

[(1) In the Department of Industrial Relations there shall be a Prevailing Wage Board consisting of the Commissioner of Industrial Relations, one member representing industry and one member representing labor. The members representing industry and labor shall be appointed for periods of not more than four years by the Governor from a list of prospective members recommended by bona fide associations representative of industry and labor, and shall receive only their actual necessary expenses incurred in carrying out their duties. The commissioner shall act as chairman of the board. Two-thirds of the members shall constitute a quorum, and recommendations, reports or orders of the board shall require a vote of a majority of the members of the board. The board shall meet each month on the first Monday after the first day of the month, said meetings to be held in the offices of the Department of Industrial Relations, Frankfort, Kentucky. The chairman from time to time shall establish regulations not inconsistent with this section, governing the mode of procedure of the board and associations filing wage contracts with the board.]

[(2) The board shall require the filing of all wage contracts of all laborers, workmen, mechanics, helpers, assistants and apprentices in this state which have been agreed to between bona fide organizations of labor and an employer or associations of employers. Such contracts shall be filed within ten days after they are signed.]

[(3) The board shall establish prevailing wages at the same rate that prevails or will prevail in the locality under collective agreements or understandings between bona fide organizations of labor and their employers or associations of employers if there are such agreements or understandings in the locality applying to a sufficient number of employes to furnish a reasonable basis for considering those rates to be the prevailing rates in the locality. The wage rates to be used by the public authority in a contract for the construction of public works shall be the prevailing wage as of the date the public works project is advertised and offered for bid. If contracts are not awarded within ninety days from the date of offering for bid the public authority shall reascertain the prevailing rate of wages from the department before the contract is awarded. The schedule or scale of prevailing wages shall be incorporated in and made a part of each contract.]

[(4) The wages paid for a legal day's work to laborers, workmen, mechanics, helpers, assistants and apprentices engaged in the construction of public works by contracts shall not be less than the prevailing wage paid in the same trade or occupation in the locality.]

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) KRS 337.510 to 337.550 shall not apply to the construction of public works fairly estimated to cost less than $10,000; provided, however, that for any one public authority the aggregate amount of construction exempted by this section shall not exceed $50,000 during any calendar year.

(2) In case two or more public authorities enter into joint agreements for the construction of public works, KRS 337.510 to 337.550 shall not apply to such construction if fairly estimated to cost less than $10,000. The amount of the exemption chargeable to each public authority for the purpose of the $50,000 annual limitation imposed by subsection (1) of this section shall be computed pro rata according to how each public authority is to share in the cost of the project.

Section 4. Section 337.530 of the Kentucky Revised Statutes is amended to read as follows:

(1) *Where prevailing rate of wages have been determined and prescribed,* [Where the Prevailing Wage Board has established and prescribed a prevailing rate of wages,] the contract executed between a public authority and the successful bidder or contractor shall contain a provision requiring the successful bidder and all of his subcon-

tractors to pay the rate of wages so established. The successful bidder or contractor and all subcontractors shall strictly comply with these provisions of the contract.

(2) All contractors and subcontractors required by KRS 337.510 to 337.550 and by contracts with any public authority to pay not less than the prevailing rate of wages, shall pay such wages in legal tender without any deductions. These provisions shall not apply where the employer and employe enter into an agreement in writing at the beginning of or during any term of employment covering deductions for food, sleeping accommodations or any similar item if this agreement is submitted by the employer to the department and is approved by the department as fair and reasonable. All contractors and subcontractors affected by the terms of KRS 337.510 to 337.550 shall keep full and accurate payroll records covering all disbursements of wages to their employes to whom they are required to pay not less than the prevailing rate of wages. Such records shall indicate the hours worked each day by each employe in each classification of work and the amount paid each employe for his work in each classification. They shall be open to the inspection and transcript of the commissioner or his authorized representative at any reasonable time, and every employer shall furnish to the commissioner or his authorized representative on demand a sworn statement of them. The commissioner may require the statement to be upon forms prescribed or approved by him. These payroll records shall not be destroyed or removed from this State for one year following the completion of the improvement in connection with which they are made.

(3) Each contractor and subcontractor subject to the provisions of KRS 337.510 to 337.550 shall post and keep posted in a conspicuous place or places at the site of the construction work a copy or copies of prevailing rates of wages and working hours as prescribed in the contract with the public authority, showing the rates of wages prescribed and the working hours for each class of laborers, workmen, mechanics, helpers, assistants and apprentices employed by him in the work of constructing the public works provided for in the contract with the public authority.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any interested person or party aggrieved by a final determination of a Prevailing Wage Review Board shall be entitled to judicial review thereof in Franklin Circuit Court. Proceedings for review shall be instituted by filing a complaint with the court within 30 days after notification of the final decision of the board. A copy of the complaint and summons shall be served upon the Department of Industrial Relations which shall constitute service upon the board. Within thirty days after such service, or within such further

time as the court may allow, the department shall transmit to the court the original or a certified copy of the record of the proceeding under review; but, by stipulation, the record may be shortened. The review shall be conducted by the court without a jury; and except as otherwise provided by this section, the applicable Rules of Civil Procedure shall be followed. The review shall be confined to the record, except that in cases of alleged fraud or misconduct of some person engaged in the administration of KRS 337.510 to 337.550 testimony thereon may be taken in the court. The court shall not substitute its judgment for that of the board as to the weight of the evidence on questions of fact; but it may affirm the determinations of the Board, or remand the case for further proceedings, or it may reverse or modify the board's determinations if substantial rights have been prejudiced because the findings, conclusions, or determinations are: (a) in violation of constitutional or statutory provisions, or (b) in excess of the statutory authority or jurisdiction of the board; or (c) procured by fraud; or (d) not supported by substantial evidence. Proceedings for the judicial review of final wage determinations or intermediate department or board action involving wage determinations for the construction of public works shall not be instituted except as provided by this section.

(2) Any final judgment of the Franklin Circuit Court may be reviewed by appeal to the Court of Appeals. Such appeal shall be taken in the manner provided by law for appeals from the circuit courts in other cases.

Calendar

SB 181, HB 86, SB 118, SB 81, HB 5, SB 191 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 124 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 124**. Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Gardner, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 124** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 104 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 104**. Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Gardner, Garnett, Hehl, Hickerson, Howard, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Ware, White. Nays 3—Kelly, Martin, Overbey.

Senator Ware moved that the vote by which **HB 104** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Ware moved that **SB 42** be taken from the Clerk's Desk, with House Amendment attached thereto. Agreed.

Senator Duffy moved the Senate to concur in the House Amendment to **SB 42**. Agreed.

Said House Amendment to **SB 42** is as follows:

Amend printed copy of Senate Bill #42 on page 1, line 8, by adding the following sentence:

"This lien shall be subject to prior recorded liens."

Senator Duffy moved the Previous Question on **SB 42**, as amended. Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Ware, White. Nays 0.

Senator Duffy moved that the vote by which **SB 42**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 77 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 77**. Agreed.

On roll call, the vote was yeas 24—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kiser, McCann, McGinty, Miller, Nichols, Palmer, Raney, Ware, White. Nays 1—Overbey.

Senator Ware moved that the vote by which **HB 77** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 82 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 82.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 82** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 81 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 81.** Agreed.

On roll call, the vote was yeas 26—Bishop, Bonn, Cobb, Conley, Craft, Duffy, Duncan, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Nichols, Overbey, Palmer, Raney, Ware, White. Nays 1—Miller.

Senator Ware moved that the vote by which **HB 81** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 75 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 75.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 75** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 136 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Amendment #1 to **HB 136,** and moved its adoption. Agreed.

Said Amendment #1 to **HB 136** is as follows:

Amend printed copy of House Bill No. 136 on page 1, by deleting lines 11, 12, and 13; and on page 2, by deleting lines 1, 2, 3, and 4; and substituting therefor the following:

(2) The commissioner shall, by regulations, prescribe the conditions of eligibility for public assistance in conformity with the Social Security Act, its amendments and federal regulations in regard to an individual who is:

(a) an inmate of a public institution;

(b) a patient in an institution for tuberculosis or mental diseases;

(c) a patient who has been diagnosed as having tuberculosis or psychosis and is a patient in a medical institution.

Senator Ware moved the Previous Question on **HB 136,** as amended. Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 136** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 103 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 103.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Duncan, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Ware, White. Nays 0.

HB 130 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 130.** Agreed.

On roll call, the vote was yeas 26—Bishop, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Gardner, Garrett, Hehl, Hickerson, Howard, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 130** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 158 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 158.** Agreed.

On roll call, the vote was yeas 24—Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Gardner, Garrett, Hehl, Hickerson, Howard, Kidwell, Kiser, Logan, McCann, McGinty, Martin, Miller, Nichols, Palmer, Raney, Ware, White. Nays 0.

Senator Garrett moved that the vote by which **HB 158** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 159 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 159.** Agreed.

On roll call, the vote was yeas 28—Bishop, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Miller, Nichols, Palmer, Raney, Ware, White. Nays 0.

Senator Garrett moved that the vote by which **HB 159** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 134 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 134.** Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 134** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 137 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 137.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Conley, Craft, Duffy, Duncan, Edwards, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 137** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 135 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 135.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 135** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 141 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 141**. Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware, White. Nays 0.

HB 146 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 146**. Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 146** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Duffy moved that the Rules be suspended for the purpose of introducing bills and a resolution. Agreed.

Introduction of Bills and Resolution

SB 254, by Senator Bishop: AN ACT relating to teachers' retirement.

SB 255, by Senator Duffy: AN ACT relating to the filing and public inspection of rate and service schedules and contracts.

SB 256, by Senator Garrett: AN ACT relating to city finances in cities of the second class.

SB 257, by Senator Johnson: AN ACT relating to public assistance.

SR 39, by Senators Duffy, Conley, Bonn, Bishop, Kiser, Kinkead, Craft, Garrett and Brand: A JOINT RESOLUTION providing for the payment of expenses of Contestant and Contestee and others in the matter of contest of Cabell D. Francis, Contestant vs. John W. (Billy) Swope, contestee, pending and decided in the Senate of the Commonwealth of Kentucky.

Senator Duffy moved that the Rules be suspended for the purpose of making a motion. Agreed.

Senator Duffy moved that the Special Contest Committee be dissolved and hereby relinquishes all materials and documents concerning the Contest Case of Cabell D. Francis, Contestant, vs. John W. Swope, Contestee. Agreed.

Senator Gardner moved to amend Senator Duffy's motion to include complimenting the Contest Committee for their work. Agreed.

Senator Mann moved that the Rules be suspended for the purpose of making a motion. Agreed.

Senator Mann moved that **SB 126** be recommitted to the Committee on Public Health. Agreed.

Orders of the Day

HB 79 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 79.** Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Buckman, Conley, Craft, Duffy, Edwards, Gardner, Garnett, Garrett, Hickerson, Howard, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Ware. Nays 0.

Senator Ware moved that the vote by which **HB 79** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 21 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 21.** Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Bonn, Buckman, Conley, Craft, Duffy, Gardner, Garnett, Garrett, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, Mann, Miller, Nichols, Overbey, Palmer, Raney, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 21** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 78 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 78.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 78** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 73 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols moved the Previous Question on **HB 73.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Gardner, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

Senator Nichols moved that the vote by which **HB 73** was passed be reconsidered and that said motion be laid on the table. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 175, HB 132, HB 133** had been examined and found correctly enrolled. **HB 175, HB 132, HB 133** read at length, compared, and signed in open session by the President. **HB 175, HB 132, HB 133** ordered delivered to the House.

Orders of the Day

SB 24 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller moved the Previous Question on **SB 24.** Agreed.

On roll call, the vote was yeas 24—Bishop, Blue, Bonn, Conley, Duffy, Duncan, Edwards, Gardner, Garrett, Hehl, Howard, Johnson, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Swope, White. Nays 3—Craft, Raney, Ware.

Senator Miller moved that the vote by which **SB 24** was passed be reconsidered and that said motion be laid on the table.

Motion

Senator Johnson moved that the Rules be suspended for the purpose of making a motion. Agreed.

Senator Johnson moved that the Senate take **SR 14** from the

Clerk's Desk, the report of the Committee to the contrary notwithstanding. Agreed.

Senator Johnson moved the adoption of **SR 14.** Agreed.

SR 14, A RESOLUTION relating to foreign spending.

WHEREAS, it has become apparent that the United States has already spent over 101 Billion Dollars in foreign aid from mid 1945 until now; and

WHEREAS, our government has given Communist dictator, Marshal Tito, of Yugoslavia, 2.4 Billion Dollars, including 700 Million Dollars in military aid; and

WHEREAS, our government has given Premier Nehru of India 2.8 Billion Dollars of aid, and they have been assured of an additional allocation in spite of his unwarranted attack on Portugal's Goa; and

WHEREAS, over 900 Million Dollars has already been given to Communist Poland with more to come; and

WHEREAS, over 600 Million U. S. Tax Dollars has been wasted on Egypt's Nasser with no tangible results; and

WHEREAS, Communist Indonesia's Sukarno has received over 700 Million American Dollars and at the same time is threatening to grab property of one of our allies, the Netherlands; and

WHEREAS, the known Soviet bridgehead, Ghana, in Africa, has been assured of a very large grant of U. S. Dollars; and

WHEREAS, the United States will close our current fiscal year on June 30, 1962 with an estimated deficit for the current year of 7.8 Billion Dollars; and

WHEREAS, the U. S., after giving away its riches over the years, now is having to turn to Western Europe for help in bolstering the hardpressed U. S. Dollar and in helping to meet some of the burdens of Western defense and of aid to the underdeveloped countries; and

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Kentucky State Senate memorializes the Congress of the United States that all aid to Communist dominated, aligned, or controlled, countries, and specifically those set forth above, be stopped at once, and to remain stopped as long as they are identified in manner with any phase of the Communist Doctrine, and that the monies and aid that has herefore been used for this purpose be spent in the distressed areas of our United States to raise their standard of living to the same level as the rest of the United States.

Section 2. That the Chief Clerk of the Senate forward a copy of this Resolution to each member of the Kentucky delegation in the Congress and to the Chief Clerk of the United States Senate.

Senator Ware moved that when the Senate adjourns today, it adjourns to meet again at 2:30 p.m., Monday, February 19. Agreed.

Reference of Bills

The Clerk announced that the following bill had been referred:

Ky. Statutes #1: **HB 234**

Senator Overbey moved that the Senate adjourn until 2:30 p.m., Monday, February 19. Agreed.

MONDAY, FEBRUARY 19, 1962

THIRTY-NINTH LEGISLATIVE DAY

The Senate was called to order by the President Pro Tem, Senator Alvin Kidwell.

Prayer by the Reverend Monsignor Joseph A. O'Dwyer of the Good Shepherd Church of Frankfort.

The roll was called. All present except Senators Conley, Derickson, Duffy and Mann, who were granted leave of absence on motion of Senator Ware.

Reading of Journal for February 16 dispensed with and the same approved on motion of Senator Ware.

Introduction of Bills

SB 258, by Senator Ware: AN ACT relating to planning and zoning.

SB 259, by Senator Ware: AN ACT relating to planning and zoning.

SB 260, by Senator Ware: AN ACT relating to planning and zoning.

SB 261, by Senator Ware: AN ACT relating to planning and zoning.

SB 262, by Senator Ware: AN ACT relating to urban renewal and redevelopment.

SB 263, by Senator Ware: AN ACT relating to Homes for the Aged or Infirm.

SB 264, by Senator Ware: AN ACT relating to the University of Kentucky.

SB 265, by Senator Ware: AN ACT proposing an amendment to the Constitution of Kentucky relating to education; amending sections 91, 93, 95, and 183.

SB 266, by Senator Ware: AN ACT proposing an amendment to the Constitution of Kentucky relating to constitutional amendments and constitutional conventions; amending sections 256 and 258.

SB 267, by Senator Ware: AN ACT relating to the official flag of the Commonwealth of Kentucky.

SB 268, by Senator Ware: AN ACT relating to discrimination in sale of alcoholic beverages.

SB 269, by Senator Ware: AN ACT relating to veterans guardianship.

SB 270, by Senators Ware and Gardner: AN ACT relating to civil service employment in cities of the second and third class.

SB 271, by Senators Ware and Gardner: AN ACT relating to police and fire departments in cities of the second and third class.

SB 272, by Senator Kelly: AN ACT establishing the Continuing Committee on Governmental Affairs, providing for its operation and declaring an emergency.

SB 273, by Senator Kelly: AN ACT relating to banks and trust companies.

SB 274, by Senator Kinkead: AN ACT relating to interlocal contracts.

SB 275, by Senator Swope: AN ACT establishing a State Theatre of Kentucky.

SB 276, by Senator Garrett: AN ACT relating to public higher education, and making an appropriation.

SB 277, by Senator McCann: AN ACT relating to the Kentucky Board of Examiners in Watchmaking.

SB 278, by Senator Logan: AN ACT relating to the publication of slanderous and libelous statements for the purpose of holding one up for ridicule.

SB 279, by Senator Howard: AN ACT relating to wages.

Report of Committee

Committee on Administrative Agencies reported **SB 155** with the expression of opinion that the same should pass by way of committee substitute. Read at length for the first time and ordered placed in the Calendar.

SB 155, AN ACT relating to retirement systems for public employees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section (1) Upon service retirement, a member of the Kentucky Employees' Retirement System may obtain credit for all or any part of the service otherwise creditable under the County Employees Retirement System, the Teachers' Retirement System, or in the service of the United States Government for which service credit is not otherwise given, upon the payment by the member of such amount or amounts as are actuarially determined to be equal to the increased liability of the Kentucky Employees' Retirement System by virtue of such additional service credit.

Section (2) Upon service retirement, a member of the County Employees' Retirement System may obtain credit for all or any part of the service otherwise creditable under the Kentucky Employees' Retirement System, the Teachers' Retirement System, or in the service of the United States Government for which service credit is not otherwise given, upon the payment by the member of such amount or amounts as are actuarially determined to be equal to the increased liability of the County Employees' Retirement System by virtue of such additional service credit.

Section (3) Upon service retirement, a member of the Teachers' Retirement System may obtain credit for all or any part of the service otherwise creditable under the Kentucky Employees' Retirement System, the County Employees' Retirement System, or in the service of the United States Government for which service credit is not otherwise given, upon the payment by the member of such amount or amounts as are actuarially determined to be equal to the increased liability of the Teachers' Retirement System by virtue of such additional service credit.

Section 4. The amount paid under this Act shall be considered as accumulated contributions of the individual member.

Section 5. No person shall be allowed credit for the same period of service in more than one of these three retirement systems.

Calendar

HB 122, HB 233, HB 231, HB 121, HB 139, HB 117, SB 219 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 85 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner offered Amendment #1 to **HB 85** and moved its adoption. Agreed.

Said Amendment #1 to **HB 85** is as follows:

Amend printed copy of House Bill 85 on page 2, line 7, by deleting "in a conspicuous place", inserting in lieu thereof "on the outside of the scale house and in the farmer's waiting room, if such places are in the warehouse."

Senator Howard moved the Previous Question on **HB 85**, as amended. Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Howard moved that the vote by which **HB 85**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 3, HB 35, HB 194, HB 200, HB 208, HB 235, HB 242, HB 274, HB 321, HB 329, SB 22, SB 26, SB 111.**

Orders of the Day

HB 102 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 102.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Miller, Nichols, Overbey, Palmer, Swope, Turner, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 102** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 165 taken from Orders of the Day. Senator Ware moved that consideration of **SB 165** be deferred and that it retain its place in Orders of the Day. Agreed.

SR 28 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that **SR 28** be read by title only. Agreed by a majority of members elected.

Senator Ware offered Amendment #1 to **SR 28** and moved its adoption. Agreed.

Said Amendment #1 to **SR 28** is as follows:

Amend printed copy of Senate Resolution No. 28 after line 5 by adding the following:

"3. The staff of the Legislative Research Commission shall provide clerical, accounting, and other housekeeping services to the Commission on Public Education, and assist in the preparation and publication of the reports of that agency. Interaccount charges may be made on the basis of the actual cost of such services."

Senator Ware moved the Previous Question on **SR 28**, as amended. Agreed.

On roll call, the vote was yeas 15—Brand, Cobb, Craft, Gardner, Garnett, Garrett, Hehl, Kidwell, Kinkead, McCann, McGinty, Nichols, Palmer, Raney, Turner. Nays 12—Bishop, Bonn, Duncan, Edwards, Howard, Kelly, Kiser, Logan, Overbey, Swope, Ware, White.

Senator Ware moved that the vote by which **SR 28** was rejected be reconsidered and that **SR 28** be recommitted to Committee on Ky. Statutes #2.

Senator Overbey moved that Senator Ware's motion to recommit **SR 28** be tabled.

Senators Overbey and Logan requested a roll call on Senator Overbey's motion.

On roll call, the vote was yeas 11—Bishop, Duncan, Gardner, Howard, Kelly, Kiser, Logan, Martin, Overbey, Swope, White. Nays 18—Bonn, Brand, Buckman, Cobb, Craft, Garnett, Garrett, Hehl, Kidwell, Kinkead, McCann, McGinty, Miller, Nichols, Palmer, Raney, Turner, Ware.

Senator Ware moved that **SR 28** be recommitted to Committee on Ky. Statutes #2. Agreed.

SB 162 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the adoption of Committee Amendment #1 to **SB 162.** Agreed.

Senator Overbey moved to amend the title to **SB 162** and that it be known as "Senator James C. Ware Bill." Agreed.

Senator Overbey moved the Previous Question on **SB 162,** as amended. Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Martin, Miller, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senators Nichols and Kiser requested that the record show that they had voted "Yea" on **SB 162.** Agreed.

Senator Ware moved that the vote by which **SB 162,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 196 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 196.** Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Ware moved that the vote by which **HB 196** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Ware moved that the Rules be suspended for the purpose of giving Committee Reports. Agreed.

Report of Committees

Committee on Ky. Statutes #1 reported **HB 234** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar. Agreed.

HB 234, AN ACT relating to higher education.

WHEREAS, the need has been established for four additional Community Colleges.

NOW THEREFORE:

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise, "Board" means the Board of Trustees of the University of Kentucky.

Section 2. The University of Kentucky Community College System is established. Each Community College shall provide a two-year college curriculum.

Section 3. A Community College shall be maintained in Ashland, Covington, Henderson, Cumberland and Elizabethtown, and the board shall convert any University facilities existing in these communities to the uses of the Community College program.

Section 4. There shall be established and maintained a Community College, provided, however, that no community college in existence as of the effective date of this Act shall have its pre-existing name changed except upon the recommendation of its local advisory board, in each of the following locations: Prestonsburg, Blackey-Hazard, Hopkinsville, Somerset, each to be established as funds are made available.

Section 5. (1) The board has the same powers with respect to the Community Colleges that it has as to the University of Kentucky in general. The board shall designate each Community College with a name that includes the words "Community College."

(2) The board shall encourage and may accept donations of land or funds or both to be used in the acquisition, construction or

operation of Community Colleges. The board may commemorate donations from private persons or corporations with suitable memorials.

(3) The board may accept Federal Grants to be used in the acquisition, construction, or operation of Community Colleges.

Section 6. (1) The Governor shall appoint a local Advisory Board for each Community College. Each local advisory board shall serve in an advisory capacity to the board and the head of the Community College on the operation of the Community College.

(2) Each local advisory board shall consist of seven members. A member's term is four years; however, when appointing the initial members of the local advisory boards, the Governor may appoint some members for terms of less than four years. Local advisory board members shall receive no compensation for their services, but shall be paid for their actual and necessary expenses.

Section 7. Sections 164.122, 164.124 and 164.570 of the Kentucky Revised Statutes are repealed.

Committee on Insurance reported **HB 113** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar. Agreed.

HB 113, AN ACT authorizing the purchase of liability and indemnity insurance against the negligence of operators of motor vehicles or other mobile equipment owned by the state-supported institutions of higher learning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Kentucky Revised Statutes is created to read as follows:

Each board of regents or trustees of the state-supported institutions of higher learning is authorized to provide for liability and indemnity insurance against the negligence of drivers or operators of motor vehicles or other mobile equipment owned or operated by the board. If the transportation of members of the student bodies is let out under contract, the contract shall require the contractor to carry indemnity or liability insurance against negligence in such amount as the board designates. In either case the indemnity bond or insurance policy shall be issued by some surety or insurance company authorized to transact business in this state, and shall bind the company to pay any final judgment not to exceed the limits of the policy rendered against the insured for loss or damage to property of any student or other person, or death or injury of any student or other person.

Committee on Insurance reported **SB 201** with the expression of opinion that the same should pass, by way of Committee Substitute. Committee Substitute for **SB 201** read at length for the first time and ordered placed in the Calendar. Agreed.

SB 201, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 304.935 of the Kentucky Revised Statutes is amended to read as follows:

(1) *No person shall, as a condition to or in connection with any loan or the lending of money upon the security of a mortgage on personal or real property, require that the borrower negotiate any policy of insurance through a particular insurance agent or agents, company or companies, type of company or types of companies, broker or brokers; provided, however, that this provision shall not prevent the exercise by any mortgagee of his right to approve the insurer selected by the borrower on a reasonable non-discriminatory basis related to the solvency of the company and its ability to service the policy. The mortgagee may require that the kind or kinds of coverage necessary to reasonably protect the interest of the mortgagee be in an amount at least sufficient to protect the loan. However, the type of policy form, so long as the required coverage is afforded, may be selected by the borrower, and may include additional coverages not inuring to the benefit of the mortgagee. Such additional coverages should be reasonably associated or connected with the property which is the subject of the loan or mortgage, or should constitute a reasonable combination with the insurance coverages otherwise required to protect the loan. Any lender either directly or indirectly requiring a borrower to furnish insurance shall be subject to the foregoing conditions and prohibitions, but this subsection shall in no event be interpreted to permit or require willfull overinsurance of real or personal property.*

(2) [3] This section shall not apply to group insurance under a policy issued to a creditor pursuant to KRS 304.841.

[(1) No person shall, as a condition to or in connection with any loan or the purchase of any property under contract, require that any insurance to be procured by or on behalf of the vendee or borrower on account of such loan or purchase or on property securing such loan or the subject of such contract, in any manner, be so procured through any particular person, agent, broker, solicitor, or in any particular insurer.]

[(2) This section shall not prevent the reasonable exercise by any such vendor or lender of his right to approve or disapprove the insurer selected to underwrite the insurance, and to determine the adequacy of the insurance offered.]

Motion

Senator Martin moved that the Rules be suspended for the purpose of making a motion. Agreed.

Senator Martin moved that **SB 148** be taken from the Committee on Ky. Statutes #2 and read into the Calendar.

Senators Martin and Gardner requested a roll call on Senator Martin's motion.

On roll call, the vote was yeas 11—Bishop, Edwards, Gardner, Garrett, Johnson, Kiser, Logan, McGinty, Martin, Overbey, Swope. Nays 5—Bonn, Craft, Garnett, Hehl, Kelly.

The motion to read **SB 148** was defeated.

President Pro Tem vacated the chair, the President presiding.

Senator Ware moved that the Rules be suspended for the purpose of making a motion. Agreed.

Senator Ware moved that when the Senate adjourns today, it adjourn to meet again at 10 a.m., Tuesday, February 20.

Senator Overbey moved, seconded by Senator McCann, to amend Senator Ware's motion and that the Senate meet at 1 p.m., Tuesday, February 20. Agreed.

Senator Howard moved that the Rules be suspended for the purpose of introducing a bill. Agreed.

Introduction of Bill

SB 280, by Senator Craft: AN ACT relating to the Industrial Development Finance Authority.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 75, HB 77, HB 81, HB 82, HB 103, HB 104, HB 124, HB 130, HB 134, HB 135, HB 136, HB 137, HB 159, HB 158, HB 21, HB 73, HB 78, HB 79, HB 141, HB 146** had been examined and found correctly enrolled. **HB 75, HB 77, HB 81, HB 82, HB 103, HB 104, HB 124, HB 130, HB 134, HB 135, HB 136, HB 137, HB 159, HB 158, HB 21, HB 73, HB 78, HB 79, HB 141, HB 146** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Senator Howard moved that the Rules be suspended for the purpose of introducing resolutions. Agreed.

Introduction of Resolutions

SR 40, by Senators Johnson, Bishop and Howard: A RESOLUTION requesting the National Park Service and the United States Department of the Interior to extend the boundaries of the Cumberland Gap National Historical Park.

SR 41, by Senator Johnson: A RESOLUTION requesting the Governor to use his good offices to bring about the participation by employes of the Fish and Wildlife Resources Department in a state employes retirement system and that the necessary funds be made available for such participation.

Senator Howard moved that **SR 40** be read at length and adopted. Agreed.

SR 40, A RESOLUTION requesting the National Park Service and the United States Department of the Interior to extend the boundaries of the Cumberland Gap National Historical Park.

WHEREAS, the Cumberland Gap National Historical Park encompasses some of the most beautiful scenery anywhere in America; and

WHEREAS, adjacent thereto are other areas of great scenic beauty which should be brought into this great Park:

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the National Park Service, and the United States Department of the Interior, is requested to extend the present eastern boundary of the Cumberland Gap National Historical Park eastward along the Cumberland Mountains to a point near Britton Gap so as to take in approximately three thousand acres of land lying in Virginia and Kentucky which includes several miles of magnificent mountain scenery and the unique waterfalls of White Branch and land which is ideally suited for the development of outdoor recreational facilities.

Section 2. That the Clerk of the Senate transmit copies of this resolution to the National Park Service of the United States Department of the Interior.

Senator Johnson moved that **SR 41** be read at length and adopted. Agreed.

SR 41, A RESOLUTION requesting the Governor to use his good offices to bring about the participation by employes of the Fish and Wildlife Resources Department in a state employes retirement system and that the necessary funds be made available for such participation.

WHEREAS, it is fitting and proper that the employes of the Fish and Wildlife Resources Department have the privilege of participating in a state employes retirement system; and

WHEREAS, such participation by employes of the Fish and Wildlife Resources Department is presently authorized by statute; and

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky:

That the Governor be requested to use his good offices to bring about the participation by employes of the Fish and Wildlife Resources Department in a state employes retirement system and that sufficient funds be made available for such participation.

Reference of Bills

The Clerk announced that the following bills and resolutions had been referred:

Ky. Statutes #1: **SB 225, SB 231, HB 207, HB 223, HB 224, HB 225, HB 229, HB 232, HB 272, HB 273, HB 296, HB 227, HB 185, HR 40, HR 48.**

Ky. Statutes #2: **SB 226, SB 227, SB 228, HB 10, HB 173, HB 198, HB 236, HB 248, HB 60, HB 97, HB 271.**

Insurance: **SB 229.**

Municipalities: **HB 55.**

Public Utilities: **HB 56, HB 95.**

Classification of Towns and Cities: **HB 68.**

Criminal Law: **HB 152, HB 187, HB 210.**

Senator Ware moved that the Senate adjourn until 1 p.m., Tuesday, February 20. Agreed.

TUESDAY, FEBRUARY 20, 1962

FORTIETH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Monsignor Joseph A. O'Dwyer of the Good Shepherd Church of Frankfort.

The roll was called. All present except Senator Derickson, who was granted leave of absence on motion of Senator McCann.

Reading of Journal for February 19 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions and Communications

Senator Ware moved that **SB 219** be made a Special Order today at 1:30 p.m. Agreed.

Senator Overbey moved that the Investigating Committee be requested to have the hearing in the Senate Chamber, instead of at LaGrange, Kentucky, on February 21 to hear Thurston Cooke as a called witness.

Senators Overbey and Logan requested a roll call on Senator Overbey's motion. Agreed.

On roll call, the vote was yeas 18—Bishop, Blue, Conley, Duncan, Edwards, Fuqua, Gardner, Howard, Kelly, Kiser, Logan, McGinty, Martin, Miller, Overbey, Palmer, Swope, White. Nays 13—Bonn, Buckman, Duffy, Garrett, Hehl, Hickerson, Kidwell, McCann, Mann, Nichols, Raney, Turner, Ware.

The President directed the Clerk of the Senate to so notify the members of the Committee.

The hour having arrived, **SB 219** having been made a Special Order was taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols offered Amendment #1 to **SB 219** and moved its adoption. Agreed.

Amendment #1 to **SB 219** is as follows:

Amend printed copy of Senate Bill 219 on page 4, line 11, by: deleting all language beginning with line 11 of page 4 and ending with, but including, line 14 on page 5, and substituting in lieu thereof the following:

(5) The Commissioner or his authorized representative shall conduct a public hearing for the purpose of making initial determina-

tions, or current revisions thereof, of a prevailing wage schedule for the construction of public works pertaining to a locality; such a hearing shall be conducted in the locality after notice has been given as provided in subsection (7) of this section.

(6) A public authority or any interested person may request and shall be granted an additional hearing for the purpose of having considered a revision of the prevailing wage schedule for the construction of public works in the locality; after notice has been given as provided in subsection (7) of this section, such hearing shall be conducted in the locality by a Prevailing Wage Review Board consisting of one member representing employers in the construction industry, one member representing labor in the construction industry, and one member appointed by the public authority requesting the hearing. The member appointed by the public authority shall reside in the locality wherein the public works are to be constructed. The members of the Board representing employers in the construction industry and labor in the construction industry shall be appointed for periods of not more than four years by the Governor from a list of prospective members recommended by bona fide associations representing the construction industry and bona fide labor organizations representing workers employed in the construction industry, and such members shall serve on the Board for all hearings during their tenure. Prevailing Wage Review Boards shall have the authority to revise prevailing wage schedules for the construction of public works, however, such revisions shall be governed by the same criteria and regulations governing wage determinations of the Commissioner. A revision of a prevailing wage schedule for the construction of public works shall require a vote of a majority of the members. The members of a Prevailing Wage Review Board shall receive their actual necessary expenses incurred in carrying out their duties and such expenses shall be paid out of the General Fund of the Commonwealth of Kentucky.

(7) Notice of hearings as required in subsections (5) and (6) of this section shall be given by advertising one time in the newspaper having the largest circulation in the locality, and such advertisement shall be run not less than 10 nor more than 20 days prior to the date of the hearing. The advertisement shall set forth all pertinent information of the hearing regarding the time, place, and purpose of the hearing.

Senator Swope moved to table Senator Nichols' Amendment #1 to **SB 219.**

Senators Swope and Gardner requested a roll call on Senator Swope's motion to table Amendment #1 to **SB 219.** Agreed.

On roll call, the vote was yeas 10—Bishop, Duffy, Duncan, Fuqua, Gardner, Howard, Logan, McGinty, Overbey, Swope. Nays 22—Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Edwards, Garnett, Garrett, Hehl, Kelly, Kidwell, Kinkead, Kiser, McCann, Miller, Nichols, Raney, Turner, Ware, White.

Senator Ware moved the Previous Question on **SB 219**, as amended. Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Martin, Miller, Nichols, Overbey, Raney, Turner, Ware, White. Nays 6—Duncan, Fuqua, Gardner, Logan, Mann, Swope.

SB 219 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 219** was passed be reconsidered and that said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 14, HB 70, HB 148, HB 161, HB 164, HB 167, HB 213, HB 228, HB 240, HB 264, HB 266, HB 278, HB 279, HB 297, HB 332, HB 337, HB 354, HB 361, HB 364.**

Report on Enrolled Bills

Committee on Enrollment reported that **SB 111, SB 42, SB 26, SB 22** had been examined and found correctly enrolled. **SB 111, SB 42, SB 26, SB 22** read at length, compared, and signed in open session by the President. **SB 111, SB 42, SB 26, SB 22** ordered delivered to the House. Delivered, signed by Speaker. Ordered delivered to the Governor.

Introduction of Bills and Resolutions

SB 281, by Senator Buckman: AN ACT relating to crimes and punishments.

SB 282, by Senator Buckman: AN ACT relating to voting machines.

SB 283, by Senator Buckman: AN ACT relating to crimes and punishments.

SB 284, by Senator Ware: AN ACT providing for payment of court costs in civil actions in which the Commonwealth is a party.

SB 285, by Senators Garnett and Conley: AN ACT relating to water districts amending KRS 74.020 and KRS 74.120.

SB 286, by Senator Miller: AN ACT relating to public utilities.

SB 287, by Senator Ware: AN ACT relating to fiduciaries.

SR 42, by Senators Miller and Overbey: A JOINT RESOLUTION directing the Legislative Research Commission to study the feasibility of a direct waterway connection between the Ohio River and the Great Lakes, its route and other preliminary planning thereof.

SR 43, by Senator Kinkead: A RESOLUTION requesting the Legislative Research Commission to proceed under Senate Resolution Number 55 of the 1956 General Assembly for the installation of an automatic roll-call system for the Senate.

Reference of Resolution

The President announced reference of **SR 43** to the Committee on Committees.

Recess

Senator Ware moved that the Senate recess for the purpose of going into Joint Session to hear the Honorable Bert Combs, Governor of the Commonwealth. Agreed.

The President announced the following committee to wait upon the Governor: Senator Cobb, Chairman, Senators Kelly, Garrett, Howard and Nichols. The President announced that the Senate would proceed to the House Chamber to hear a message by the Honorable Bert T. Combs.

The President resumed the Chair.

Report of Committees

Committee on Kentucky Statutes #2 reported **SB 123**, **SB 79**, **SB 80** with the expression of opinion that the same should not pass.

Committee on Kentucky Statutes #2 reported **SB 143**, **SB 220** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 143, AN ACT relating to transportation.

WHEREAS, restrictions upon the rights of carriers to compete on equal terms for traffic are not in the interest of the citizens of Kentucky; and

WHEREAS, restraints upon such competition may injure industries located in Kentucky by making them less able to compete for markets; and

WHEREAS, agreements in restraint of trade are not in keeping with public policy of Kentucky,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise the term "labor organization" means any organization of any kind, or any agency or employe representation committee or plan, in which employes participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

Section 2. It shall be unlawful for any carrier or shipper of property, or any association of such carriers or shippers, to agree to pay, or to pay, to or for the benefit of a labor organization, directly or indirectly, any charge by reason of the placing upon, delivery to, or movement by rail, or by a railroad car, of a motor vehicle, trailer, or container which is also capable of being moved or propelled upon the highways.

Section 3. It shall be unlawful for any labor organization to accept or receive or to agree to accept or receive from any carrier or shipper of property, or any association of such carriers or shippers, any payment described in Section 2 of this Act.

Section 4. Any corporation, association, organization, or person that violates Sections 2 and 3 of this Act shall be fined not less than one hundred dollars nor more than one thousand dollars for each offense. Each act of violation, and each day during which such an agreement remains in effect, shall constitute a separate offense.

Section 5. Whereas, efforts have been made in other states, and may soon be made in Kentucky, to compel carriers, shippers and associations of carriers or shippers to enter into agreements and devices of the kind made unlawful by this Act, to the detriment of fair competition between carriers of different modes, and in opposition to technical progress and lower rates, an emergency is declared to exist, and this Act shall become effective immediately upon its passage.

SB 220, AN ACT relating to medical assistance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 205.510 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Chiropractor" means a person licensed to practice chiropractic under the laws of the Commonwealth;

(2) [(1)] "Council" means the Advisory Council for Medical Assistance;

(3) [(2)] "Dentist" means a person authorized to practice dentistry under the laws of the Commonwealth;

(4) [(3)] "Federal-state medical care fund" means a trust and agency fund established, maintained, and operated by the Department of Economic Security as an arrangement to meet the cost of

medical care for public assistance recipients and into which payments are made in behalf of each public assistance recipient covered by the fund;

(5) [(4)] "Medical care" as used in this article means essential medical, surgical, dental, *chiropractic,* and nursing services, in the home, office, clinic, or other suitable place, which are provided or prescribed by physicians, [or] dentists, *or chiropractors* licensed to render such service, including drugs and medical supplies, appliances, laboratory, diagnostic and therapeutic services, nursing home and convalescent care, hospital care as defined in KRS 205.560 (1) (a), and such other essential medical services and supplies as may be prescribed by such persons;

(6) [(5)] "Nurses" means persons authorized to practice professional nursing under the laws of the Commonwealth;

(7) [(6)] "Nursing Home" means a facility which provides routine medical care in which physicians regularly visit patients, which provides nursing services and procedures employed in caring for the sick which require training, judgment, technical knowledge, and skills beyond that which the untrained person possesses, and which maintains complete records on patient care, and which is licensed pursuant to the provisions of KRS 216.400;

(8) [(7)] "Pharmacist" means a person authorized to practice pharmacy under the laws of the Commonwealth;

(9) [(8)] "Physician" means a person authorized to practice medicine or osteopathy under the laws of the Commonwealth;

(10) [(9)] "Public assistance recipient" means a person who has been certified by the Division of Public Assistance of the Department of Economic Security as being eligible for, and a recipient of, public assistance under the provisions of KRS 205.010 to 205.340 or a needy person who is living with and essential to such recipient and is recognized in the determination of budgetary requirements for such payment;

(11) [(10)] "Vendor payment" means a payment for medical care which is paid by the Department of Economic Security directly to the authorized person or institution which rendered medical care to a public assistance recipient.

Section 2. Section 205.560 of the Kentucky Revised Statutes is amended to read as follows:

(1) The scope of medical care for which the Department of Economic Security undertakes to pay shall be designated and limited by regulations promulgated by said department, pursuant to the provisions hereof. The selection of the class or classes of medical care shall be recommended by the council to the Commissioner of

the Department of Economic Security and the Commissioner of the Department of Health after taking into consideration, among other things, the amount of federal and state funds available, the most essential needs of public assistance recipients and the meeting of such need on a basis insuring the greatest amount of medical care as defined in KRS 205.510 consonant with the funds available including but not limited to the following categories:

(a) Hospital care, including drugs, and medical supplies and services during any period of actual hospitalization;

(b) Nursing home care, including medical supplies and services, and drugs during confinement therein on prescription of a physician or dentist;

(c) Drugs, nursing care, and medical supplies and services during the time when a recipient is not in a hospital but is under treatment and on the prescription of a physician or dentist;

(d) Physician, [and] dental *and chiropractic* services.

(2) Payments for hospital care, nursing home care, and drugs or other medical, *chiropractic* and dental supplies shall be on bases which relate the amount of the payment to the cost of providing such services or supplies. It shall be one of the functions of the council to make recommendations to the Department of Health with respect to such bases for payment.

(3) No vendor payment shall be made unless the class and type of medical care rendered and the cost basis therefor has first been designated by regulation.

(4) The range of medical care benefit standards provided and the quality and quantity standards and the methods for determining cost formulae for vendor payments shall be uniform for the entire state and designated by regulation. The amount of payments for units of services need not be uniform for the entire state but many vary from county to county and from city to city, as well as among hospitals, based on the prevailing cost of medical care in such locale and other local economic and geographic conditions.

Section 3. Section 205.590 of the Kentucky Revised Statutes is amended to read as follows:

(1) The following technical advisory committees shall be established for the purpose of acting in an advisory capacity to the council with respect to the administration of KRS 205.510 to 205.610, 205.991 and 211.106:

(a) A Technical Advisory Committee on Physician Services consisting of five physicians appointed by the Council of the Kentucky State Medical Association;

(b) A Technical Advisory Committee on Hospital Care consisting of five hospital administrators appointed by the Board of Trustees of the Kentucky Hospital Association;

(c) A Technical Advisory Committee on Dental Care consisting of five dentists appointed by the Kentucky Dental Association;

(d) A Technical Advisory Committee on Nursing Service consisting of five nurses appointed by the Board of Directors of the Kentucky State Association of Registered Nurses;

(e) A Technical Advisory Committee on Drugs consisting of five pharmacists appointed by the Kentucky Pharmaceutical Association;

(f) A Technical Advisory Committee on Nursing Home Care consisting of five members appointed by the Kentucky Association of Nursing Homes; [.]

(g) A Technical Advisory Committee on chiropractic care consisting of the same members as those serving on the Kentucky State Board of Chiropractic Examiners.

(2) The members of the technical advisory committees shall serve until their successors are appointed and qualified.

Section 4. Section 205.600 of the Kentucky Revised Statutes is amended to read as follows:

The Commissioner of Health shall appoint a county medical review committee for each county of the Commonwealth consisting of three physicians, *a chiropractor* and a dentist, the duties, responsibilities and terms of office of which shall be determined by the council. Appointments shall be made from a list of three nominees for each appointment submitted by the Kentucky State Medical Association, *the Kentucky State Board of Chiropractic Examiners* and the Kentucky Dental Association, respectively.

Calendar

SB 155, HB 234, HB 113, SB 201 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 101, with Committee Amendment #1 attached thereto, taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Committee Amendment #1 to **HB 101** and moved its adoption. Agreed.

Senator Ware offered Amendment #2 to **HB 101** and moved its adoption. Agreed.

Amendment #2 to **HB 101** is as follows:

Amend printed copy of House Bill 101 on page 10, line 18 by deleting the word "four" and substitute in lieu thereof the words "three and one-half"

and on page 17, line 23, by deleting the word "five-ninths" and substitute in lieu thereof the word "five-tenths."

Senator Ware moved the Previous Question on **HB 101,** as amended. Agreed.

On roll call, the vote was yeas 27—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Kelly, Kidwell, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Raney, Swope, Turner, Ware. Nays 0.

HB 101 was passed and the title agreed to.

HB 138 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 138.** Agreed.

On roll call, the vote was yeas 25—Bishop, Bonn, Buckman, Cobb, Conley, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Kelly, Kidwell, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Raney, Swope, Ware. Nays 0.

HB 138 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 138** was passed be reconsidered and that said motion be laid on the table.

HB 139 taken from Orders of the Day, with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Committee Amendment #1 to **HB 139** and moved its adoption. Agreed.

Senator Ware moved the Previous Question on **HB 139,** as amended. Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Kelly, Kidwell, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware. Nays 0.

HB 139 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 139** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 165 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Howard offered Amendment #1 to **SB 165** and moved its adoption. Agreed.

Amendment #1 to **SB 165** is as follows:

Amend printed copy of Senate Bill 165 on page 3, line 23, by deleting ", and its" and inserting a period.

And on page 3, deleting lines 24 through 26.

Senator Ware moved the Previous Question on **SB 165**, as amended. Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware. Nays 1—Logan.

SB 165 was passed and the title agreed to.

Senators White and Logan requested that the record show that they voted "Yea" on **SB 165**. Agreed.

Senator Ware moved that the vote by which **SB 165** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 145 taken from Orders of the Day, with Committee Amendment #1 attached thereto, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Amendment #1 to **SB 145** and moved its adoption. Agreed.

Senator Ware moved the Previous Question on **SB 145**, as amended. Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware. Nays 1—Johnson.

SB 145 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 145**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

SB 113, by way of Committee Substitute, taken from Orders of the Day. Senator Ware moved that consideration of said bill be deferred and that it retain its place in Orders of the Day. Agreed.

SB 98, by way of Committee Substitute, taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the adoption of the Committee Substitute for **SB 98**. Agreed.

Senator Kelly moved the Previous Question on Committee Substitute for **SB 98**. Agreed.

On roll call, the vote was yeas 23—Bishop, Bonn, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Howard, Kelly, Kinkead, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Ware, White. Nays 11—Blue, Brand, Buckman, Garnett, Garrett, Hickerson, Johnson, Kidwell, Logan, Swope, Turner.

SB 98 was passed and the title agreed to.

Senator Kelly moved that the vote by which **SB 98** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 188 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols offered Amendment #1 to **HB 188** and moved its adoption. Agreed.

Amendment #1 to **HB 188** is as follows:

Amend printed copy of House Bill 188, on page 2, line 23, by deleting the figure "$3,600" and inserting in lieu thereof the figure "$4,800."

Senator Nichols moved the Previous Question on **HB 188**, as amended. Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Conley, Duffy, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Ware, White. Nays 0.

HB 188 was passed and the title agreed to.

Senator Nichols moved that the vote by which **HB 188**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 76 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that **HB 76** be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 76.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Ware, White. Nays 0.

HB 76 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 76** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 71 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller offered Amendment #1 to **HB 71** and moved its adoption. Agreed.

Amendment #1 to **HB 71** is as follows:

Amend printed copy of House Bill 71 on page 2, lines 1 through 5, by deleting all of lines 1 through 5 and inserting in lieu thereof the following:

(2) A guardian ad litem or warning order attorney shall be allowed by the court a reasonable fee for his services, to be paid by the plaintiff and taxed as costs. [, but if no service is rendered, other than to file a report or answer, the fee shall be $5.00.]

Senator Ware moved the Previous Question on **HB 71,** as amended. Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Hehl, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Turner, Ware, White. Nays 0.

HB 71 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 71,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 70 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 70.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Buckman, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, Mc-

Ginty, Mann, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 1—Johnson.

SB 70 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 70** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 160 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **SB 160.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 1—Johnson.

SB 160 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 160** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 90 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 90.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Miller, Nichols, Raney, Swope, Turner, Ware, White. Nays 2—Martin, Overbey.

SB 90 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 90** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 62 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 62.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 1—Johnson.

SB 62 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 62** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 104 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 104.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 0.

SB 104 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 104** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 97 taken from Orders of the Day, with Committee Amendments attached thereto, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the adoption of the Committee Amendments to **SB 97.** Agreed.

Senator Duffy offered Amendment #5 to **SB 97** and moved its adoption. Agreed.

Amendment #5 to **SB 97** is as follows:

Amend printed copy of Senate Bill 97 on page 6, lines 19 and 20, by deleting all of the language on line 19 after the word "differential," and on line 20 through the word "Section."

Senator Duffy offered Amendment #6 to **SB 97** and moved its adoption. Agreed.

Amendment #6 to **SB 97** is as follows:

Amend printed copy of Senate Bill 97 on page 12, lines 19, 20, and 21, by inserting a period after the word "charges" on line 19, and deleting the rest of the language on line 19, all of the language on line 20, and the language on line 21 through the word "and", and starting a new sentence with the word "acquisition" on line 21.

Senator Duffy moved the Previous Question on **SB 97,** as amended. Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Swope, Turner, Ware. Nays 1—Raney.

Senator Overbey moved to amend the title to **SB 97** to read, "AN ACT relating to Installment Sales Contracts and to be known as the Martin J. Duffy, Jr. Bill." Agreed.

SB 97 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 97**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 66 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Overbey moved the Previous Question on **SB 66.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 3—Garrett, Johnson, Logan.

SB 66 was passed and the title agreed to.

Senator Overbey moved that the vote by which **SB 66** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 87 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 87.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 0.

SB 87 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 87** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 89 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 89.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 0.

SB 89 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 89** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 156 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Blue moved the Previous Question on **SB 156.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, Martin, Nichols, Overbey, Raney, Turner, Ware, White. Nays 3—Johnson, Logan, Swope.

SB 156 was passed and the title agreed to.

Senator Blue moved that the vote by which **SB 156** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Overbey moved that the Senate recess to meet again at 8:00 p.m. today. Motion lost on a voice vote.

Senator Ware moved suspension of the Rules and moved that the Senate adjourn until 12:00 noon Wednesday, February 21. Agreed.

WEDNESDAY, FEBRUARY 21, 1962

FORTY-FIRST LEGISLATIVE DAY

The Senate was called to order by the President Pro Tem.

Prayer by the Reverend Monsignor Joseph A. O'Dwyer of the Good Shepherd Church of Frankfort.

The roll was called. All present except Senators Brand, Derickson and Kiser, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for February 20 dispensed with and the same approved on motion of Senator McCann.

Introduction of Bills and Resolutions

SR 44, by Senator Ware: A CONCURRENT RESOLUTION relating to adjournment of the General Assembly.

Senator Ware moved the adoption of **SR 44.** Agreed.

SR 44, A CONCURRENT RESOLUTION relating to adjournment of the General Assembly.

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

That when the Senate and the House of Representatives adjourn on Wednesday, February 21, 1962, they adjourn to meet on Monday, February 26, 1962, at 2:00 P.M.

SR 45, by Senator Buckman: A RESOLUTION commending Governor Bert Combs, Commissioner Glenn Lovern and the staff of the Kentucky Department of Public Safety for their excellent record in traffic safety and accident prevention.

Senator Buckman moved the adoption of **SR 45.** Agreed.

SR 45, A RESOLUTION commending Governor Bert Combs, Commissioner Glenn Lovern and the staff of the Kentucky Department of Public Safety for their excellent record in traffic safety and accident prevention.

WHEREAS, the fatality toll on Kentucky's highways during 1961 was the lowest from traffic accidents in the Commonwealth of any year since 1950, the toll in 1961 being 722 and the toll in the preceding years being 1950–678; 1951–740; 1952–797; 1953–861; 1954–758; 1955–862; 1956–778; 1957–814; 1958–789; 1959–750; 1960–756; 1961–722; and

WHEREAS, this represents a saving of at least forty-three lives over the total in 1960; and

WHEREAS, Governor Bert Combs, State Safety Commissioner Glenn Lovern, and the staff of the Kentucky Department of Public Safety have been highly commended by The Honorable William Randolph Hearst, President of the Committee for Traffic Safety, and Governor Howard Pyle, President of the National Safety Council, for this outstanding record—the lowest road death toll in recent years—achieved in the face of traffic which has doubled;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky:

Section 1. That Governor Bert Combs, the Kentucky Department of Public Safety and its Commissioner, Glenn Lovern, are commended most highly for this excellent non-partisan program of accident prevention, traffic law enforcement, driver licensing administration, safety information and education and safety programming.

Section 2. That all police enforcement officers throughout the Commonwealth, on the local and statewide level, who have contributed most effectively to this excellent record are commended and our highest commendation is given to the Governor's Safety Advisory Committee, its Chairman, Dr. Joseph Leone, civic, fraternal and judiciary leaders, newspaper, radio and television people throughout the Commonwealth without whose help this record would not have been achieved.

Section 3. That the Department of Public Safety and all others concerned with this problem are hereby urged to continue the battle against death, injury and economic loss on our streets and highways.

Section 4. That the Clerk of the Senate is directed to send a copy of this resolution to Governor Bert Combs, Commissioner Glenn Lovern, the Staff of the Department of Public Safety, and Dr. Joseph Leone.

SB 288, by Senators Duffy and McGinty: AN ACT providing for the inclusion of public health employees of joint city-county health departments in counties containing cities of the first class within the provisions of the State Retirement System.

SB 289, by Senators Ware, Kidwell and Hehl: AN ACT relating to Congressional Districts and declaring an emergency.

SB 290, by Senator Ware: AN ACT relating to powers of cities of all classes to induce governmental agencies to locate or relocate within their boundaries; and declaring an emergency.

SB 291, by Senators Miller and McGinty: AN ACT relating to and permitting the sale of real property owned by cities.

SB 292, by Senators Miller and McGinty: AN ACT relating to finance and revenue for counties containing cities of the first class.

SB 293, by Senators Miller and McGinty: AN ACT relating to motor carriers.

SB 294, by Senator Mann: AN ACT relating to chiropractors.

Senator Ware moved that the Rules be suspended for the purpose of making a motion. Agreed.

Recess

Senator Ware moved that the Senate recess for the purpose of having a meeting of the Committee on Committees. Agreed.

The President Pro Tem resumed the chair.

Senator Ware moved that the Rules be suspended for the purpose of referring bills. Agreed.

Reference of Bills

The Clerk announced that the following bills had been referred:

Ky. Statutes #1: **SB 256, SB 276, SB 290.**

Recess

Senator Ware moved the Senate to recess for the purpose of having a meeting of the Committee on Kentucky Statutes #1. Agreed.

The President Pro Tem resumed the chair.

Report of the Committees

Committee on Kentucky Statutes #1 reported **SB 193, HB 207** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 193, AN ACT relating to city commissions on human rights.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The legislative body of any city shall have the authority, by appropriate ordinances and resolutions not in conflict with the constitution or laws of this state, or of the United States, to forbid any form of discrimination on the basis of races, creed, religion or ethnic origin, in places of public accommodation including, but not limited to, restaurants, theaters, hotels, and retail stores.

Section 2. The legislative body of any city shall have the authority to establish a commission of citizens of the community to be known as the City Commission on Human Rights. The commission shall be created as an agency of the legislative body of the city to foster mutual understanding and respect among and to discourage discrimination against any racial, religious or ethnic group or its members.

Section 3. The City Commission on Human Rights shall have, in addition to such other powers and duties as may be granted to it by ordinance, authority to:

(1) Conduct research projects and make reports on discrimination in the city;

(2) Receive and investigate complaints of discrimination or charges of violation of ordinances relating to discrimination and to recommend ways of eliminating any injustices occasioned thereby;

(3) Hold public hearings and request the attendance of witnesses;

(4) Cooperate with other organizations, public and private, to discourage discrimination;

(5) Encourage fair treatment for all persons, regardless of race, creed, religion or ethnic origin;

(6) Make an annual report to the legislative body of the city.

Section 4. The City Commission on Human Rights shall have the authority to promulgate rules and regulations necessary for its own internal organization.

HB 207, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Article I. PROCEDURE IN SCHOOL BOARD CAUSES

Section 1. (1) The Superintendent of Public Instruction or the State Board of Education, shall recommend, by written charges, to the proper school authorities having immediate jurisdiction the removal of any superintendent of schools, principal, teacher or other public school officer who in his or their opinion is guilty of immorality, misconduct in office, incompetency or willful neglect of duty.

(2) The Superintendent of Public Instruction shall recommend by written charges the suspension by the State Board of Education of any district board member or superintendent of schools who in his opinion is guilty of immorality, misconduct in office, incompetency or willful neglect of duty. The State Board of Education shall, after a summary hearing as provided by regulations, suspend any district board of education member or Superintendent of Schools, who in the opinion of the majority of the State Board of Education is guilty of gross immorality, misconduct in office, incom-

petence or willful neglect of duty. Such action by the State Board of Education may be taken upon a recommendation of the Superintendent of Public Instruction, or such action may be taken by a majority vote of the State Board of Education without recommendation from the Superintendent of Public Instruction.

(3) The State Board of Education may suspend a district superintendent of schools under subsection (2) of this section only if after 30 days of receipt of the written charges specified in subsection (1) of this section, the district board of education has refused to act, has acted in bad faith, arbitrarily or capriciously, or if a recommendation to the district board would have been futile.

Section 2. (1) Any officer suspended by the State Board of Education under section 1. subsection (2) of this Article shall be furnished with a written statement, specifying in detail the reasons for suspension and naming a date and place at which the officer may appear before the State Board of Education to answer the charges. The date shall be not less than twenty nor more than thirty days after the service of such charges upon the officer. Within ten days after receipt of the charges, the officer may notify the State Board of Education of his intention to appear and answer such charges. If the officer fails to notify the Board of his intention to appear and answer such charges, the State Board of Education may remove the officer by a majority vote and such dismissal shall be final.

(2) Upon receipt of the officer's notice of intention to appear and answer such charges the State Board of Education shall issue such subpoenas as shall be necessary for the determination of the issues involved. The issues shall be heard at the time and place set and the hearing shall be public or private at the discretion of the State Board of Education. Both parties may be represented by counsel and may require the presence of witnesses upon subpoena. Each witness shall be required to take oath before an officer of the board. The State Board of Education shall provide for a stenographic report of the proceedings and furnish the officer with a copy.

(3) Upon completion of both sides of the case, but within ninety days from the date the officer was suspended, the State Board of Education may by a majority vote remove the officer. If within ninety days from the date of suspension, the State Board has not removed the officer, or has dismissed the charges, the suspended officer shall be reinstated and shall be paid his full salary for the period of such suspension.

(4) The officer shall have a right to appeal both as to law and to fact to the circuit court for trial without a jury. If said appeal is not made within thirty days after removal, then the decision of the State Board of Education shall be final. Said appeal shall be

an original action in said court and shall be commenced by the filing of a petition against the State Board of Education, in which petition the facts shall be alleged upon which the officer relies for a reversal or modification of the order of removal. Upon service or waiver of summons in said appeal, the State Board of Education shall forthwith transmit to the clerk of said court for filing a transcript of the original notice of charges and a transcript of all evidence adduced at the hearing, whereupon the cause shall be at issue without further pleading and shall be advanced and heard without delay. The court shall examine the transcript and record of the hearing before the State Board of Education and shall hold such additional hearings as it may deem advisable, at which it may consider other evidence in addition to such transcript and record. Upon final hearing, the court shall grant or deny the relief prayed for in the petition. Either the officer or the State Board of Education may appeal from the action of the court to the Court of Appeals. If the decision of the court is against removal, the officer shall be paid his full salary from the date of suspension. Such payment shall be made from funds appropriated to the State Department of Education.

Section 3. The State Board of Education, upon suspension of any officer or district board of education member under Section 1. (2) and (3) of this Article, shall name a person to fill the vacancy caused by such suspension. Persons appointed by the State Board of Education to fill vacancies under this Article shall hold office only during the time an officer is suspended, not to exceed ninety days from the date of suspension. At the expiration of such period, vacancies shall be filled in the manner provided by law for the office. Persons appointed by the State Board of Education to fill vacancies caused by suspension shall be paid from funds of the district board of education. Any person employed to fill the position of a superintendent who has been removed by the State Board of Education under Section 1 of this Article shall be employed by the district board of education for a period not to exceed one year if the superintendent has appealed to the courts and if the courts have not taken final action.

Section 4. Section 156.110 of the Kentucky Revised Statutes is repealed.

Section 5. The Attorney General, upon the written recommendation of either the Governor, the Auditor of Public Accounts, the Superintendent of Public Instruction, or the State Board of Education, shall institute the necessary actions to recover school funds, from any source, which he believes have been erroneously or improperly allowed or paid to any person.

Section 6. The jurisdiction of all actions brought under the provisions of this Article shall be vested in the circuit court of the county in which the school district is located.

Section 7. Upon motion, without cause, of any party to any action referred to in Section 6 of this Article, the judge shall vacate the bench and the parties by agreement may elect one of the attorneys of the court to preside on the trial or hear the application or hold the court for the occasion. Any special judge so selected shall have all the powers and be subject to all the responsibilities of the regular judge of the court.

Section 8. If the parties cannot agree upon an attorney as provided in Section 7 of this Article or if the regular judge determines that sufficient time is not available in which to ascertain if the parties can agree upon a member of the bar to act as judge, as provided in Section 7 of this Article, or if he determines that it is impracticable to attempt to obtain agreement because of the large number of parties to the action to be tried, or for any reason, the clerk shall at once certify the facts to the Chief Justice of the Court of Appeals, who shall immediately designate a regular circuit judge, if one be available, and, if not, an attorney having the qualifications of a judge, to hold the court or try the action.

Article II. FISCAL MANAGEMENT

Section 1. As used in Section 1 to Section 5 of this Article:

(a) "Committee" means the State Committee for School District Audits;

(b) "State board" means the State Board of Education;

(c) "Board" means the board of education of a school district;

(d) "Accountant" means a certified public accountant or a public accountant registered with the State Board of Accountancy.

Section 2. (1) There shall be a State Committee for School District Audits comprised of the Governor, or a person designated by him, the Attorney General and the Superintendent of Public Instruction. The Governor, or the person designated by him, shall be the chairman of the committee.

(2) The committee shall have the accounts of each board audited not less than once every two fiscal years. The committee also may, at any time, cause to be made a comprehensive and complete audit of any board. Upon the written request of the State Board, the Superintendent of Public Instruction, the Attorney General, the Auditor of Public Accounts or the Governor the committee may cause the accounts of a board to be audited. Each audit shall cover such period of time, and shall include such auditing procedures and standards as the committee may designate.

(3) Audits authorized under this section are in addition to any audits contemplated under KRS 11.090, KRS 156.200, or KRS Chapter 43.

(4) The actual expense of any audit authorized under this section shall be borne equally by the district board of education and by the committee from funds allocated to it.

Section 3. (1) The committee shall select, to make the audit authorized under Section 2 of this Article accountants who have no personal interest in the financial affairs of the board or of any of its officers or employees.

(2) Immediately upon completion of each audit, the accountant shall prepare a report of his findings and recommendations in such form and in such detail as the committee may prescribe. The report shall be to the committee and in such number of copies as specified by the committee. The committee shall furnish one copy to the State Board of Education, one copy to the district board of education to which the report pertains and one copy to the Superintendent of Public Instruction, and one copy to the Auditor of Public Accounts. The district board of education shall keep a copy of the report on file in the office of the superintendent of schools of the district and the report shall be open to inspection by any interested person subject to reasonable rules as to time and place of inspection.

Section 4. (1) The accountant shall have access to and may examine all books, accounts, reports, vouchers, correspondence files, records, money and property of any board. Every officer or employee of any such board having such records or property in his possession or under his control shall permit access to and examination of them upon the request of the accountant.

(2) The Committee may require information on oath from any person touching any matters relative to any account that the accountant is required to audit. The Committee may administer the oath, or have it done by any officer authorized to administer an oath.

(3) The Committee may issue process and compel the attendance of witnesses before it, and administer oaths and compel witnesses to testify in any of the investigations the accountant is authorized to make.

Section 5. (1) Any officer or employee of a board or any other person who prevents, attempts to prevent, or obstructs an examination by the accountant made under Section 2 and 3 of this Article is guilty of a high misdeameanor, and shall, upon indictment and conviction in the circuit court of competent jurisdiction, be fined Five Hundred Dollars.

(2) Any person who fails or refuses to permit the examination provided for in Section 4 of this Article or who interferes with such examination shall be fined not less than One Hundred Dollars or imprisoned in the county jail for not less than one month nor more than twelve months, or both. Each refusal shall constitute a separate offense.

(3) Any person who has custody of any books, accounts, reports, vouchers, correspondence, files, records, money and property that the accountant is authorized to examine under Section 2 and 4 of this Article who fails or refuses when called upon by the Committee for that purpose to permit the accountant to inspect any of such materials shall upon conviction in the circuit court of competent jurisdiction, be fined not more than Five Hundred Dollars and be subject to removal as provided by law.

(4) Any person who refuses to be sworn when required by the Committee to be sworn for the purpose mentioned in Section 4 (2) of this Article shall be fined not more than Five Hundred Dollars.

(5) Any witness called by the Committee under Section 4 (3) of this Article who fails, without legal excuse, to attend or testify shall be fined not more than Five Hundred Dollars.

Section 6. The State Board of Education, upon requisition to the Division of Purchases in the Department of Finance, is authorized to secure price contract agreements for the purchase of supplies and equipment by district boards of education. The board, by regulation, shall specify the particular types of supplies and equipment for which contracts shall be secured and may revise such lists from time to time. The board, in consultation with the Division of Purchases, shall fix standards of quality and quantity and shall develop standard specifications for such supplies and equipment. The Division of Purchases shall enter into price contract agreements under the provisions of KRS 42.060 and 42.070. Such contracts shall establish sources of supply, maximum prices to be paid, and shall set forth the length of time for which such contracts shall be valid, not to exceed one year.

Section 7. The Superintendent of Public Instruction shall furnish full information on established price contracts to each district board of education. Any board of education may purchase supplies and equipment from the vendor to whom the contract has been awarded, under the terms of the contract. Any board of education may advertise for its own bids on supplies and equipment which meet the specifications of the contracts awarded by the Division of Purchases. Any board of education, after advertising for bids, may award contracts if the Superintendent of Public Instruction certifies that such a bid offers supplies and equipment which meet the standards and specifications fixed by the State Board of Education and that the bid price is lower than that established by the price contract agreement.

Article III. ORGANIZATION OF THE STATE BOARD

Section 1. Section 156.030 of the Kentucky Revised Statutes is amended to read as follows:

There shall be a State Board of Education composed of [The Superintendent of Public Instruction and] seven lay members. *The board shall elect a chairman from among its members at its first regular meeting in each fiscal year.* [The Superintendent of Public Instruction shall be chairman of the board.] Beginning with 1940 the Governor shall appoint two [lay] members every year for a term of four years to take the place of the members appointed under the provisions of Chapter 65 of the Acts of 1934 whose terms expire that year, except that every fourth year the Governor shall appoint one [lay] member for a term of four years to take the place of the [lay] member whose term expires that year. The term of each [lay] member of the board shall begin on July 1 in the year in which the member is appointed. In the case of a vacancy the Governor shall fill the vacancy for the unexpired term. Members appointed to take the place of members whose terms expire after the effective date of this Article shall be appointed from the districts established by KRS 21.120 in the numerical order of the districts. The board shall be a corporation by the name of the Kentucky State Board of Education, with the usual corporate powers.

Section 2. Section 156.060 of the Kentucky Revised Statutes is amended to read as follows:

A majority of the board shall constitute a quorum for the transaction of business. The board shall meet *not less than* every three months and at such other times as it may be called as provided in this section. Special meetings of the board may be called by the chairman; and upon written request of two members the chairman shall call a special meeting of the board *to be held not later than twenty days following receipt of the written request.* The chairman shall give notice through the secretary by registered mail to each member of the board at least ten days prior to the time of any meeting, unless all members of the board waive notice in writing. The offices of the board shall be at the seat of government in the Department of Education and shall be provided by the state. Members of the board may receive a per diem of *twenty-five* [ten] dollars for each regular or special meeting attended and actual expenses for attending meetings, and may be reimbursed for other actual and necessary expenditures incurred [in the state] in the performance of their duties authorized by the board. The per diem and expenses shall be paid out of the appropriation for the State Board of Education. [However no member of said board shall receive more than one hundred dollars per annum for per diem under the provisions of this section.]

Section 3. Section 156.040 of the Kentucky Revised Statutes is amended to read as follows:

The members of the State Board of Education shall have the same qualifications as school board members, except that members of the State Board of Education shall be at least thirty years of age. Appointments shall be made without reference to [place of residence in the state,] occupation, political affiliation, or similar considerations. No member at the time of his appointment or during the term of his service shall be engaged as a professional educator.

Section 4. This Article III shall become effective on the first Monday in January, 1964, except that Section 2 of Article III shall become effective July 1, 1962. This section is not intended to prevent the provisions of other articles of this Act that contains no effective date clause from becoming effective at an earlier time.

Article IV. DISCRIMINATION AGAINST TEACHERS AND OTHER SCHOOL EMPLOYEES

Section 1. No teacher or employee of any district board of education shall be appointed or promoted to, or demoted or dismissed from, any position or in any way favored or discriminated against with respect to employment because of his political or religious opinions or affiliations or ethnic origin.

Section 2. No person shall use or promise to use, directly or indirectly, any official authority or influence, whether possessed or anticipated, to secure or attempt to secure for any person an appointment or advantage in appointment to a position as teacher or employee of any district board of education, or an increase in pay or other advantage in employment in any such position, for the purpose of influencing the vote or political action of any person.

Section 3. (1) Any person who willfully violates any provision of Section 1 or 2 of this Article shall be confined in jail for not less than thirty days nor more than six months.

(2) Any teacher or employee of a district board of education who willfully violates any provision of Section 1 or 2 of this Article shall be ineligible for employment in the common schools for a period of five years.

Article V. TEACHERS RANK

Section 157.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) (a) The Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers in rank as follows:

Rank I. Those holding regular certificates and who have a master's degree and who have earned [twenty-four] *thirty* semester hours of additional approved graduate work, *and those teachers who, as of September 1, 1962, were included in Rank I, having earned twenty-four semester hours of additional approved graduate work.*

Rank II. Those holding regular certificates and who have a master's degree or its equivalent.

Rank III. Those holding regular certificates and who have an approved four-year college degree or the equivalent.

Rank IV. Those holding certificates and who have ninety-six to one hundred and twenty-eight semester hours of approved college training or the equivalent; provided, however, that persons holding emergency certificates shall not be classified higher than this rank.

Rank V. Those holding certificates and who have sixty-four to ninety-five semester hours of approved college training or the equivalent.

Rank VI. Those holding certificates and who have thirty-two to sixty-three semester hours of approved college training or the equivalent; *provided, however, that effective July 1, 1965, no teacher in Rank VI shall be included in calculating the amount to be included in the foundation program of a district for teachers' salaries, unless the teacher holds a life certificate.*

Rank VII. Those holding certificates and who have fewer than thirty-two semester hours of approved college training or the equivalent; *provided, however, that effective July 1, 1964, no teacher in Rank VII shall be included in calculating the amount to be included in the foundation program of a district for teachers' salaries.*

(b) In determining ranks, the Superintendent of Public Instruction, under regulations of the State Board of Education, shall classify teachers who hold valid certificates in the respective ranks according to approved college semester hours of credit. The Superintendent of Public Instruction, in defining preparation for certain types of vocational teachers as equivalent to college training shall give consideration to apprenticeship training and industrial experience.

(2) [The amount to be included in the 1960-61 school year in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following schedule for each rank:

Rank I	$4400
Rank II	4100
Rank III	3800

Rank IV	2800
Rank V	2500
Rank VI	2100
Rank VII	1800]

Beginning with the school year 1961-62, the amount to be included in the foundation program of a district for teachers' salaries shall be determined by multiplying the number of teachers in each rank, not to exceed the number of classroom units allowed, by the amount set forth in the following allotment schedule for each rank:

Rank I	$4600
Rank II	4300
Rank III	4000
Rank IV	2900
Rank V	2600
Rank VI	2200
Rank VII	1900

Provided, the amount to be included for vocational units, supervisory units, and units for administrators, directors of pupil personnel and special instructional services shall be increased proportionately if the personnel for such units are employed for longer than the regular school term and such employment is approved by the Superintendent of Public Instruction under regulations of the State Board of Education. Where the actual number of teachers employed by the district varies from the number allowed under the provisions of KRS 157.310 to 157.440, the number to be included in each rank shall be in the same ratio that the number of teachers actually in each rank is to the total number of teachers employed.

(3) The amount to be included in the foundation program for other current expenses shall be determined by multiplying the number of classroom units by nine hundred dollars.

(4) The amount to be included in the foundation program for capital outlay shall be determined by multiplying the number of classroom units by six hundred dollars.

(5) The amount to be included in the foundation program of each district for transportation shall be determined by multiplying the aggregate attendance of transported children by the allowable cost per pupil per day for that district determined in accordance with the provisions of KRS 157.370.

(6) The total cost of the foundation program for each district shall be the sum of the allotments in subsections (2), (3), (4), and (5) of this section.

Article VI. SCHOLARSHIPS

Section 1. There is hereby established a Teacher Education Scholarship Fund. Upon the recommendation of the Superintendent of Public Instruction the State Board of Education shall appoint a Teacher Education Scholarship Board, to consist of five persons who are professionally engaged in Teacher education. Members shall be appointed as soon as practicable after the effective date of this Article and shall serve until July 1, 1964. The Scholarship Board shall elect its own chairman and shall meet at such times and places as it deems proper. Members shall serve without pay, but may be reimbursed for actual and necessary expenses incurred in the performance of their duties.

Section 2. The Teacher Education Scholarship Board shall receive and consider applications for scholarships from public school teachers who are teaching science, mathematics, or a foreign language, or who are school librarians, and who do not have a minor in the subject they are teaching. A minor shall consist of eighteen semester hours of work planned by the college and approved by the State Department of Education, unless otherwise specified by regulation of the State Board of Education. Each applicant shall furnish a statement from the superintendent of the district in which he is teaching that the superintendent plans to assign the applicant to teach the same subject the next school year. The Scholarship Board shall make a careful and full investigation of the ability, character and qualifications of each applicant. It may personally examine each applicant and shall require each applicant to take a written examination to be administered by the Scholarship Board.

Section 3. (1) The Teacher Education Scholarship Board shall award scholarships not to exceed two hundred thousand dollars for the 1962-64 biennium to applicants whom the Board deems qualified. Scholarships shall be awarded solely for summer work at any accredited college or institution of the applicant's choice within the Commonwealth. Each scholarship shall consist of two hundred dollars, payable at the end of the summer term. The scholarship shall be paid only if the applicant successfully completes at least six semester hours of academic courses in the subject for which the scholarship was granted. Each person to whom a scholarship is granted shall take at least six semester hours of courses approved by the college in the subject for which the scholarship was granted and may take three additional semester hours in that subject or another subject which he is teaching and in which he does not have a minor.

(2) In awarding scholarships for the second year, the Board shall give priority to persons who were not awarded a scholarship the first year, provided, however, that an applicant may be awarded a scholarship the second year if he successfully completed six semester hours the first year and is otherwise qualified under the terms of this Article.

Section 4. (1) To be eligible for a scholarship, an applicant shall contract in writing with the State Board of Education that he will accept employment during the next school year with the district board of education by which he is employed at the time of application. If the recipient of a scholarship fails to fulfill his obligations under the contract, the entire amount of scholarship benefits received shall become due and payable.

(2) Upon recommendation of the State Board of Education, the Attorney General shall institute proceedings for the purpose of recovering any amount due the Commonwealth.

Section 5. This Article shall become effective at any time to the extent that funds become available from any unexpended portions of the Foundation Program Fund.

Article VII. SCHOOL PROGRAMS

Section 1. Section 158.060 of the Kentucky Revised Statutes is amended to read as follows:

Twenty school days, or days in which teachers are actually employed in the schoolroom, shall constitute a school month in the common schools. The legal holidays designated by the State Board of Education to be observed shall be counted as school days. No teacher shall teach on Saturdays except in cases of emergency and then only upon authorization of the State Board of Education. Six hours of actual school work shall constitute a school day. The daily session, including recesses and intermission, shall not exceed nine hours. *A pupil who is absent, excused or dismissed from any regularly scheduled class to attend not more than four field trips in a school term may be considered in attendance on those days, if the field trip is part of a regularly scheduled class; provided, however, that upon application of any district superintendent, the Superintendent of Public Instruction or the State Board of Education may, if sufficient cause be shown, grant authority to use an additional day or days for special field trips or exceptional events.*

Section 2. Section 158.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) The minimum school term shall be *185 days.* [nine months.] The Superintendent of Public Instruction, upon the approval of the State Board of Education may extend the minimum term to ten months when the resources of the school fund or contributions by local taxation justify the extension, but no extension shall be made if it reduces the salaries of the teachers below the minimum fixed by law. A board of education may extend its terms beyond the minimum term set by the Superintendent of Public Instruction.

(2) *The board of education of any school district may use no more than four days of the minimum school term for holidays, three*

days for in-service training and professional work, and three days for attendance at state and district meetings of professional educational associations. The State Board of Education, upon recommendation of the Superintendent of Public Instruction, shall adopt regulations governing the use of school days.

[(2) If extending the term to the minimum provided in subsection (1) of this section will reduce the salaries of teachers in districts because of extending the terms of grades which were operated for less than nine months during the school year ending June 30, 1952, boards of education may operate such grades for less than nine months for such a term as will be approved by the Superintendent of Public Instruction as meeting the requirements of this section.]

Committee on Judiciary and Judicial Council reported **SB 31,** with the expression of opinion that the same should pass by way of committee substitute. Read at length for the first time and ordered placed in the Calendar.

SB 31, AN ACT to provide for the creation and regulation of horizontal property regimes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This act shall be known as "Horizontal Property Act."

Section 2. As used in this Act unless the context otherwise requires:

(a) "Apartment" means an enclosed space consisting of one or more rooms occupying all or part of a floor in a building of one or more floors or stories regardless of whether it be designed for residence, for office, for the operation of any industry or business, or for any other type of independent use, provided it has a direct exit to a thoroughfare or to a given common space leading to a thoroughfare;

(b) "Condominium" means the ownership of single units in a multiple unit structure with common elements;

(c) "Condominium Project" means a real estate condominium project; a plan or project whereby four or more apartments, rooms, office spaces, or other units in existing or proposed building (s) or structure(s) are offered or proposed to be offered for sale;

(d) "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof who owns an apartment within the building;

(e) "Council of co-owners" means all the co-owners as defined in subsection (d) of this section;

(f) "Developer" means a person who undertakes to develop a real estate condominium project;

(g) "General common elements" means and includes:

(1) The land whether leased or in fee simple, on which the building stands;

(2) The foundations, main walls, roofs, halls, lobbies, stairways, and entrances and exits or communication ways;

(3) The basements, flat roofs, yards, and gardens, except as otherwise provided or stipulated;

(4) The premises for the lodging of janitors or persons in charge of the building, except as otherwise provided or stipulated;

(5) The compartments or installations of central services such as power, light, gas, cold and hot water, refrigeration, reservoirs, water tanks and pumps, and the like;

(6) The elevators, garbage incinerators and, in general all devices or installations existing for common use; and

(7) All other elements of the building rationally of common use or necessary to its existence, upkeep and safety.

(h) "Limited common elements" means and includes those common elements which are agreed upon by all of the co-owners to be reserved for the use of a certain number of apartments to the exclusion of the other apartments, such as special corridors, stairways and elevators, sanitary services common to the apartments of a particular floor, and the like;

(i) "Majority of co-owners" means fifty-one per cent of the co-owners;

(j) "Master deed" or "Master lease" means the deed or lease recording the property of the horizontal property regime;

(k) "Person" means an individual, firm, corporation, partnership, association, trust or other legal entity or any combination thereto;

(l) "Property" means and includes the land whether leasehold or in fee simple and the building, all improvements and structures thereon and all easements, rights and appurtenances belonging thereto;

(m) "To record" means to record in accordance with KRS Chapter 382, or other recording statutes;

(n) All pronouns used herein include the male, female and neuter genders and include the singular or plural numbers, as the case may be.

Section 3. Whenever a developer, the sole owner, or the co-owners of a building expressly declare, through the recordation of a master deed or lease, which shall set forth the particulars enumerated by Section 7, their desire to submit their property to the regime established by this act, there shall be thereby established a horizontal property regime.

Section 4. Once the property is submitted to the horizontal property regime, an apartment in the building may be individually conveyed and encumbered and may be the subject of ownership, possession or sale and of all types of juridic acts intervivos or mortis causa, as if it were sole and entirely independent of the other apartments in the building of which they form a part, and the corresponding individual titles and interest shall be recordable.

Section 5. Any apartment may be joined or commonly owned by more than one person.

Section 6. An apartment owner shall have an exclusive ownership to his apartment and shall have a common right to a share, with other co-owners, in the common elements of the property.

Each co-owner may use the elements held in common in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other co-owners.

Section 7. The County Clerk shall immediately set up the mechanics and methods by which recordation of a master deed or lease and of the individual apartments may be made.

Provisions shall be made for the recordation of the individual apartments on subsequent re-sales, mortgages and other encumbrances, as is done with all other real estate recordation. The master deed or lease to which Section 3 refers shall express the following particulars:

(a) The description of the land, whether leased or in fee simple, and the building, expressing their respective areas;

(b) The general description and the number of each apartment, expressing its area, location and any other data necessary for its identification;

(c) The description of the general common elements of the building; and

(d) The common elements, both general and limited, shall remain undivided and shall not be the object of an action for partition or division of the co-ownership. Any covenant to the contrary shall be void.

Section 8. The deed of each individual apartment shall express the particulars prescribed under letters (a) and (b) of Section 7 relative to the apartments concerned and shall also express all encumbrances thereon.

Section 9. Each apartment in a building shall be designated, on the plans referred to in Section 7 of this Act, by letter or number or other appropriate designation and any conveyance, or other instrument affecting title to said apartment, which described the apartment by using said letter or number followed by the words "in__________________ Horizontal Property Regime" shall be deemed to contain a good and sufficient description for all purposes. Any conveyance of an individual apartment shall be deemed to also convey the undivided interest of the owner in the common elements, both general and limited, appertaining to said apartment without specifically or particularly referring to same.

Section 10. All of the co-owners or the sole owner of a building constituted into a horizontal property regime may waive this regime and request the County Clerk to re-group or merge the records of the filial estates with the principal property, provided, that the filial estates are unencumbered, or if encumbered, that the creditors in whose behalf the encumbrances are recorded agree to accept as security the undivided portions of the property owned by the debtors.

Section 11. The merger provided for in the preceding section shall in no way bar the subsequent constitution of the property into another horizontal property regime whenever so desired and upon observance of the provisions of this Act.

Section 12. The administration of every building constituted into a horizontal property regime shall be governed by by-laws approved and adopted by the council of co-owners. The by-laws may be amended from time to time by the council.

Section 13. The administrator, or board of administration, or the person appointed by the by-laws of the regime, shall keep a book with a detailed account of the receipts and expenditures affecting the building and its administration and specifying the maintenance and repair expenses of the common elements and any other expenses incurred by or in behalf of the regime. Both the book and vouchers accrediting the entries made thereon shall be available for examination by all the co-owners at convenient hours on working days that shall be set and announced for general knowledge. All books and records shall be kept in accordance with good accounting procedures and be audited at least once a year by an auditor outside of the organization.

Section 14. All co-owners are bound to contribute pro-rata toward the expenses of administration and of maintenance and repairs of the general common elements, and, in the proper case, of the limited common elements of the building, and toward any other expenses lawfully agreed upon by the council of co-owners.

No owner shall be exempt from contributing toward such expenses by waiver of the use or enjoyment of the common elements, both general and limited, or by abandonment of the apartment belonging to him.

Section 15. The laws relating to exemptions as set out in Chapter 391 of the Kentucky Revised Statutes shall be applicable to the individual apartments which shall have the benefit of said exemption in those cases the same as in ownership of any other property.

Section 16. Upon the sale or conveyance of an apartment, all unpaid assessments against a co-owner for his pro-rata share in the expenses to which Section 13 refers shall first be paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except the following:

(a) Assessments, liens, and charges in favor of the state for taxes past due and unpaid on the apartment; and

(b) Payments due under mortgages duly recorded.

Section 17. The co-owners may, upon resolution of a majority, insure the building against risks, without prejudice to the right of each co-owner to insure his apartment on his own account and for his own benefit.

Section 18. In case of fire or any other disaster the insurance indemnity shall, except as provided in the next succeeding paragraph of this section, be applied to reconstruct the building.

Reconstruction shall not be compulsory where it comprises the whole or more than two-thirds of the building. In such case, and unless otherwise unanimously agreed upon by the co-owners, the indemnity shall be delivered pro-rata to the co-owners entitled to it in accordance with provision made in the by-laws or in accordance with a decision of three-fourths of the co-owners if there is no by-law provision.

Should it be proper to proceed with the reconstruction, the provisions for such eventuality made in the by-laws shall be observed, or in lieu thereof, the decision of the council of co-owners shall prevail.

Section 19. Where the building is not insured or where the insurance indemnity is insufficient to cover the cost of reconstruction, the new building costs shall be paid by all the co-owners directly affected by the damage, in proportion to the value of their respective apartments, or as may be provided by said by-laws; and if any one or more of those composing the minority shall refuse to make such payments the majority may proceed with the reconstruction at the expense of all the co-owners benefitted thereby, upon proper resolution setting forth the circumstances of the case and the cost of the works, with the intervention of the council of co-owners.

The provisions of this section may be changed by unanimous resolution of the parties concerned, adopted subsequent to the date on which the fire or other disaster occurred.

Section 20. Taxes, assessments and other charges of this State, or of any political subdivision, or of any special improvement district, or any other taxing or assessing authority shall be assessed against and collected on each individual apartment, each of which shall be carried on the tax books as a separate and distinct entity for that purpose, and not on the building or property as a whole. The valuation of the general and limited common elements shall be assessed proportionately among the co-owners thereof. No forfeiture or sale of the building or property as a whole for delinquent taxes, assessments or charges shall ever divest or in anywise affect the title to an individual apartment so long as taxes, assessments and charges to said individual apartment are currently paid.

Section 21. The provisions of this chapter shall be in addition to and supplemental to all other provisions of the Kentucky Revised Statutes, provided that wherever the application of the provisions of this chapter conflict with the application of such other provisions, this chapter shall prevail.

Section 22. Whenever they deem it proper, the planning and zoning commission of any county or municipality may adopt supplemental rules and regulations governing a horizontal property regime established under this chapter in order to implement this program.

Section 23. If any provision of this chapter, or any section, sentence, clause, phrase or word, or the application thereof in any circumstance is held invalid, the validity of the remainder of the chapter and of the application of any such provision, section, sentence, clause, phrase or word in other circumstances shall not be affected thereby.

Committee on Ky. Statutes #1 reported **SB 216, SB 217, HB 223, HB 224, HB 225, SB 231, HB 232, HB 230, HB 227, HB 229, SB 256, HB 272, SB 276, HB 273, HB 296, HB 185, HB 17, SB 290** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 216, AN ACT relating to time credits on sentence, forfeiture of good time and conditional release.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 197.045 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person convicted and sentenced to a state penal institution may receive a credit on his sentence of not exceeding ten days for each month served, to be determined by the Division of Corrections of the Department of Welfare from the conduct of the prisoner. The department shall have the authority to forfeit any good

time previously earned by the prisoner, *or to deny the prisoner the right to earn good time in any amount,* if during the term of imprisonment the prisoner commits any offense or violates the rules of the institution.

[(2) Any prisoner having served the term for which he has been sentenced for a crime committed after the effective date of this section, less good time deductions, shall be conditionally released under supervision of the Division of Probation and Parole, subject to the provision of law and department regulations relating to conditionally released prisoners.]

Section 2. Section 439.360 of the Kentucky Revised Statutes is repealed.

Section 3. Section 439.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any parole, probation or conditional release officer having reason to believe that a parolee or conditional release has violated the terms of his release may arrest such person without a warrant or may deputize any other peace officer to do so by giving him a written statement setting forth that the parolee or conditional releasee, in the judgment of the probation, parole or conditional release officer, has violated the conditions of his release. Such written statement delivered with the parolee or conditional releasee by the arresting officer to the official in charge of the station house, jail, workhouse or other place of detention, shall be sufficient warrant for the detention of the parolee or conditional releasee. The probation, parole or conditional release officer who arrests or causes the arrest of the prisoner shall notify the director at once of the arrest and detention of the parolee or conditional releasee, and shall submit in writing a report showing in what manner there has been a violation of the conditions of release. Thereupon, if the director believes the parolee or conditional releasee should be returned to prison, the director at once shall submit his recommendations to the board, and, if the board approves, it shall issue a warrant upon which the releasee shall be returned to prison, otherwise the prisoner shall be released upon the order of the director.

(2) A written statement, approved by the director, by a parole or conditional release officer, and filed with the board setting forth that the parolee or conditional releasee in the judgment of such officer has violated the condition of his release, shall be sufficient cause for the board, in its discretion, to issue a warrant for the arrest of the parolee or conditional releasee, or for his return to prison.

(3) A prisoner for whose return a warrant has been issued by the board, shall be deemed a fugitive from justice or to have fled from justice. If it shall appear he has violated the provisions of his release,

then the time from the issuing of such warrant to the date of his arrest shall not be counted as any part of the time to be served [under his sentence] *in determining his final discharge eligibility date from parole* if the board in its discretion so orders.

SB 217, AN ACT relating to the enforcement of laws governing the operation of boats, and providing a penalty.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. If the violation of any section of chapter 235 of the Kentucky Revised Statutes or regulation promulgated thereunder is committed in the presence of the officer, the officer may, in lieu of making a physical arrest, issue a citation requiring the defendant to appear before a magistrate of the county in which the offense occurred at a future time to be stated in the citation. In no event shall the citation state a time of appearance in excess of ten days from the date the citation was issued.

Section 2. Any person failing to obey a citation issued in accordance with Section 1 above shall be guilty of a separate offense and shall be fined not less than $15.00 nor more than $100.00.

HB 223, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 138.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Dealer" means any person engaged in the sale of motor vehicles at retail;

(2) "Motor Vehicle" means any vehicle that is propelled of other than muscular power and that is used for transportation of persons or property over the public highways of the state, except road rollers, vehicles that travel exclusively on rails, and vehicles propelled by electric power obtained from overhead wires;

(3) "Retail price" for new motor vehicles classified as passenger cars shall be the total of the manufacturer's suggested retail price as shown on the Federal price label, transportation charges to the place where the sale occurs and charges for optional equipment, whether installed by the factory or dealer. For all other new motor vehicles "retail price" shall be the total of the factory price, transportation charges to the place where the sale occurs and charges for all other equipment that is not included in the factory price. For all used motor vehicles "retail price" shall be the value prescribed by regulation by the Department of Revenue.

[(3) "Retail price" for new motor vehicles shall be determined by the price for which the vehicle with all equipment and accessories, standard and optional, is sold by regularly authorized dealers in motor vehicles in the county in which the license is applied for, or, if not sold in that county, then in the nearest county in which the motor vehicle is sold; for used motor vehicles it shall be determined by the value given in the Automotive Reference Manual prescribed by the Department of Revenue.]

(4) "New motor vehicle" means any motor vehicle of any year model not previously registered in any state nor classed as a demonstrator under regulations promulgated by the Department of Revenue.

Section 2. Section 138.460 of the Kentucky Revised Statutes is amended to read as follows:

(1) At the time and in the manner provided in this section a tax is levied on the use in this state of every motor vehicle, except those exempted by KRS 138.470. In the case of a new motor vehicle the tax is levied upon ninety percent of its retail price at the rate of three percent. No further deduction is allowable for Federal manufacturer's excise tax even though the motor vehicle owner may be exempted from payment thereof. In the case of a used motor vehicle, the tax is levied upon its entire retail price at the rate of three percent.

[(1) A tax levied upon ninety percent of its retail price at the rate of three percent shall be paid on the use in this state of every motor vehicle, except those exempted by KRS 138.470, at the time and in the manner provided in this section.]

(2) The tax shall be collected by the county clerk or other officer with whom the vehicle is required to be registered when he collects the registration fee for registering and licensing the motor vehicle the first time it is offered for registration in this state. The tax shall be accounted for to the Department of Revenue as registration and license fees are by law accounted for. The county clerk shall be paid by the state, for his services in collecting the tax, an amount equal to two percent of the tax collected and accounted for.

(3) No county clerk or other officer shall register or issue any license tags to the owner of any motor vehicle subject to this tax, when the vehicle is then being offered for registration for the first time, unless the owner pays the motor vehicle usage tax in addition to the registration and license fees.

(4) In the case of new motor vehicles not previously registered in any state, the county clerk or other officer shall not register or issue any license tags to the owner of such motor vehicle subject to the tax when the vehicle is then being offered for registration for the first time, unless the seller or his agent delivers to the county clerk

or other officer two photostat copies or other copies of the certified itemized billing of the retail price to the customer. The clerk shall attach one copy of the certified billing of the retail price to the copy of the registration certificate mailed to the department.

[(4) No county clerk or other officer shall register or issue any license tags to the owner of any motor vehicle subject to this tax, when the vehicle is then being offered for registration for the first time, unless the seller or his agent delivers to the county clerk or other officer a certified or photostat copy of the manufacturer's price label for passenger cars or a certified or photostat copy of the itemized billing to the customer in the case of all other motor vehicles; and the clerk shall attach the certified or photostat copy to the copy of the registration certificate mailed to the department.]

HB 224, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 138.130 of the Kentucky Revised Statutes is amended to read as follows:

As used in this Act, unless the context requires otherwise:

(1) "Department" means the Department of Revenue.

(2) *"Manufacturer" means any person who manufactures or produces cigarettes within or without this state.*

[(2) "Manufacturer" means any person engaged in the manufacture or production of cigarettes.]

(3) "Retailer" means any person who sells to a consumer or to any person for any purpose other than resale.

(4) *"Sale at Retail" shall mean a sale to any person for any other purpose other than resale.*

(5) *"Cigarettes" shall mean and include any roll for smoking made wholly or in part of tobacco, or any substitute for tobacco, irrespective of size or shape and whether or not such tobacco is flavored, adulterated or mixed with any other ingredient, the wrapper or cover of which is made of paper or any other substance or material, excepting tobacco.*

(6) *"Sale" or "sell" shall mean any transfer for a consideration, exchange, barter, gift, offer for sale, advertising for sale, soliciting an order for cigarettes, and distribution in any manner or by any means whatsoever.*

[(5) "Sale" includes, in addition to its ordinary meaning, the possession of cigarettes for consumption, irrespective of how acquired.

Possession of cigarettes by any person other than a manufacturer, wholesaler, or retailer, as defined in this section, shall be prima facie evidence of possession for consumption.]

(7) *"Tax Evidence" shall mean and include any stamps, metered impressions, or other indicia prescribed by the Department by regulation as a means of denoting the payment of tax.*

(8) *"Person" shall mean and include any individual, firm, copartnership, joint venture, association, municipal or private corporation whether organized for profit or not, Commonwealth of Kentucky or any of its political subdivisions, estate, trust, or any other group or combination acting as a unit, and the plural as well as the singular.*

(9) *"Resident Wholesaler" shall mean any person who purchases at least seventy-five percent of all cigarettes purchased by him directly from the cigarette manufacturer on which the cigarette tax provided for herein is unpaid, and who maintains an established place of business in this state where he attaches cigarette tax evidence, or receives untaxed cigarettes.*

(10) *"Nonresident Wholesaler" shall mean any person who purchases cigarettes directly from the manufacturer and maintains a permanent location or locations outside this state where Kentucky cigarette tax evidence is attached or from where Kentucky cigarette tax is reported and paid.*

[(4) "Wholesaler" means any person who sells cigarettes at wholesale or distributes cigarettes to be sold at retail, and shall include any manufacturer, distributor, jobber, broker, agent, or other person, whether or not enumerated in this section, who so sells or so distributes cigarettes.]

(11) *"Sub-Jobber" shall mean any person who purchases cigarettes from a wholesaler licensed under this Act on which the Kentucky cigarette tax has been paid and makes them available to retailers for resale.*

(12) *"Vending Machine Operator" shall mean any person who operates one or more cigarette vending machines.*

(13) *"Transporter" shall mean any person transporting cigarettes obtained from any source to any destination within this state, other than cigarettes transported by resident wholesalers, nonresident wholesalers, sub-jobbers, vending machine operators and unclassified acquirers licensed under the provisions of this Act provided that it shall not include any person transporting no more than 1,000 cigarettes at one time.*

(14) *"Unclassified Acquirer" shall mean any person in this state who acquires cigarettes from any source on which the Kentucky cigar-*

ette tax has not been paid, and who is not a person otherwise licensed under the provisions of this Act.

Section 2. Section 138.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) A tax shall be paid on the sale of cigarettes [made of tobacco, or any substitute for tobacco,] *within the state* at [the] *a proportionate* rate of two and one-half cents on each twenty cigarettes [or fraction thereof]. This tax shall be paid only once, regardless of the number of times the cigarettes may be sold in this state.

(2) *The burden of paying such tax shall be passed, through subsequent sales of the cigarettes taxed, to the ultimate purchasers and consumers of such cigarettes, and such tax so passed shall be deemed a direct tax paid by the said ultimate purchasers and consumers.*

[(2) This tax shall be paid by affixing stamps in the manner and at the time set forth in this section and in KRS 138.150 to 138.200. The stamps shall be affixed to each individual package of cigarettes by the wholesaler within seventy-two hours after the cigarettes are received by him, or if received by a retailer they shall be affixed within twenty-four hours after the cigarettes are received by him. All cigarettes must be tax paid before being sold or otherwise distributed in this state.]

[(3) The manner and methods of affixing stamps shall be prescribed by the Department of Revenue in such a way as to enforce the provisions of KRS 138.130 to 138.200.]

Section 3. Sections 138.145, 138.150, 138.160, 138.170, 138.180, 138.190, 138.200, 137.040, 137.050, 137.070, 137.080, 137.090, 137.100 and 137.110 of the Kentucky Revised Statutes are repealed in their entirety.

Section 4. *A new section of Kentucky Revised Statutes is created to read as follows:*

(1) *No person other than a manufacturer shall acquire cigarettes in this state on which the Kentucky cigarette tax has not been paid, nor act as a resident wholesaler, nonresident wholesaler, vending machine operator, sub-jobber, transporter, unclassified acquirer of such cigarettes without first obtaining a license from the Department as hereinafter set out.*

(2) *Each resident wholesaler shall secure a separate license for each place of business at which cigarette tax evidence is affixed or at which cigarettes on which the Kentucky cigarette tax has not been paid are received. Each nonresident wholesaler shall secure a separate license for each place of business at which evidence of Kentucky cigarette tax is affixed or from where Kentucky cigarette tax is*

reported and paid. Such a license or licenses shall be secured on or before July 1 of each year, and each licensee shall pay the sum of twenty-five dollars for each such year or portion thereof for which such license is secured.

(3) *Each sub-jobber shall secure a separate license for each place of business from which Kentucky tax-paid cigarettes are made available to retailers, whether such place of business is located within or without this state. Such license or licenses shall be secured on or before July 1 of each year, and each licensee shall pay the sum of twenty-five dollars for each such year or portion thereof for which such license is secured.*

(4) *Each vending machine operator shall secure a license for the privilege of dispensing Kentucky tax-paid cigarettes by vending machines. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars for each year or portion thereof for which such license is secured. No vending machine shall be operated within this Commonwealth without having prominently affixed thereto the name of its operator, together with the license number assigned to such operator by the Department. The Department shall prescribe by regulation the manner in which the information shall be affixed to the vending machine.*

(5) *Each transporter shall secure a license for the privilege of transporting cigarettes within this state. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars for each such year or portion thereof for which such license is secured. No transporter shall transport any cigarettes without having in actual possession an invoice or bill of lading therefor, showing the name and address of the consignor and consignee, the date acquired by the transporter, the name and address of the transporter, the quantity of cigarettes being transported, together with the license number assigned to such transporter by the Department.*

(6) *Each unclassified acquirer shall secure a license for the privilege of acquiring cigarettes on which the Kentucky cigarette tax has not been paid. Such license shall be secured on or before July 1 of each year, and each licensee shall pay the sum of five dollars for each such year or portion thereof for which such license is secured.*

(7) *Nothing in this Act shall be construed to prevent the Department from requiring a person to purchase more than one license if the nature of such person's business is so diversified as to justify such requirement.*

(8) *The Department may by regulation require any person licensed under the provisions of this Act to supply such information concerning his business, sales, or any privilege exercised, as is deemed reasonably necessary for the regulation of such licensees, and to pro-*

tect the revenues of the state. Failure on the part of such licensee to comply with the provisions of this Act, or any regulations promulgated hereunder, or to permit an inspection of premises, machines or vehicles by an authorized agent of the Department at any reasonable time shall be grounds for the revocation of any license issued by the Department, after due notice and a hearing by the Department. The Commissioner of Revenue may assign a time and place for such hearing and may appoint a conferee who shall conduct a hearing, receive evidence and hear arguments. Such conferee shall thereupon file a report with the Commissioner together with a recommendation as to the revocation of such license. In the event the Commissioner directs a revocation of such license upon such report, an appeal may be had in accordance with Kentucky Revised Statutes, Chapter 131, Section 110 and Kentucky Revised Statutes, Chapter 131, Section 120. Any person whose license has been revoked for the wilful violation of any provision of this Act shall not be entitled to any license provided for in this Act, or have any interest in any such license, either disclosed or undisclosed, either as an individual, partnership, corporation or otherwise, for a period of one year after such revocation.

(9) *No license issued pursuant to the provisions of this Act shall be transferable or negotiable.*

(10) *Every manufacturer located or doing business in this state shall keep written records of all shipments of cigarettes to persons within this state, and shall submit reports of such shipments as the Department may require by regulation.*

(11) *No person licensed under this Act except nonresident wholesalers shall either sell to or purchase from any other such licensee untaxpaid cigarettes.*

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) *The cigarette tax imposed by this Act shall be due when any licensed wholesaler or unclassified acquirer takes possession within this state of untaxpaid cigarettes.*

(2) *The tax shall be paid by affixing evidence of tax payment in the manner and at the time set forth in this section. The evidence of tax payment shall be affixed to each individual package of cigarettes by a resident wholesaler within seventy-two hours after the cigarettes are received by him. The evidence of tax payment shall be affixed to each individual package of cigarettes by a nonresident wholesaler prior to the introduction or importation of the cigarettes into the territorial limits of this state. The evidence of tax payment shall be affixed by an unclassified acquirer within twenty-four hours after the cigarettes are received by him.*

(3) *The Department shall by regulation prescribe the form of cigarette tax evidence, the method and manner of the sale and distribution of such cigarette tax evidence, and the method and manner that such evidence shall be affixed to the cigarettes.*

(4) *Units of cigarette tax evidence shall be sold at their face value, but the Department shall allow as compensation to any licensed wholesaler an amount of tax evidence equal to eighteen cents face value for each three dollars of tax evidence purchased at face value. The Department shall have the power to withhold compensation from any licensed wholesaler for failure to abide by any provisions of this Act or any regulation promulgated thereunder. Any refund or credit for unused cigarette tax evidence shall be reduced by the amount allowed as compensation at the time of purchase.*

(5) *No tax evidence may be affixed, or used in any way, by any person other than the person purchasing such evidence from the Department. Such tax evidence may not be transferred or negotiated, and may not, by any scheme or device, be given, bartered, sold, traded, or loaned to any other person. Unaffixed tax evidence may be returned to the Department for credit or refund for any reason satisfactory to the Department.*

(6) *In the event any retailer shall receive into his possession cigarettes to which evidence of Kentucky tax payment is not properly affixed, he shall within twenty-four hours notify the Department of such fact. Such notice shall be in writing, and shall give the name of the person from whom such cigarettes were received, and the quantity of such cigarettes, and such written notice may be given to any field agent of the Department. The written notice may also be directed to the Commissioner of Revenue, Frankfort, Kentucky. If such notice is given by means of the United States mail, it shall be sent by certified mail. Any such cigarettes shall be retained by such retailer, and not sold, for a period of fifteen days after giving the notice provided herein. The retailer may, at his option, pay the tax due on any such cigarettes according to rules and regulations to be prescribed by the Department, and proceed to sell the same after such payment.*

(7) *Cigarettes stamped with the cigarette tax evidence of another state shall at no time be commingled with cigarettes on which the Kentucky cigarette tax evidence has been affixed, but any licensed wholesaler, licensed sub-jobber or licensed vending machine operator may hold cigarettes stamped with the tax evidence of another state for any period of time, subsection two of this section notwithstanding.*

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

In lieu of the affixing of cigarette tax evidence to individual packages of cigarettes as the means of denoting payment of the cigarette tax imposed by this Act, the Department may prescribe, by rules and regulations sufficient to protect the revenue of this state, a method of reporting, payment and collection of such tax, without the affixing of tax evidence to individual packages of cigarettes. In the event such a system is adopted no compensation for reporting for the purpose of such tax in excess of two percent of the tax due shall be allowed to any person.

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) *It is declared to be the legislative intent of this Act that any untaxpaid cigarettes held, owned, possessed, or in control of any person other than as provided in this Act are contraband and subject to seizure and forfeiture as hereinafter set out.*

(2) *Whenever any peace officer of this state, or any representative of the Department, finds any untaxpaid cigarettes within the borders of this state in the possession of any person other than a licensee authorized to possess untaxpaid cigarettes by the provisions of this Act, such cigarettes shall be immediately seized and stored in a depository to be selected by such officer or agent. At the time of such seizure, the officer or agent shall deliver to the person in whose custody such cigarettes are found a receipt for such cigarettes. The receipt shall state on its face that any inquiry concerning any such goods seized shall be directed to the Commissioner of Revenue, Frankfort, Kentucky. Immediately upon such seizure, the officer or agent shall notify the Commissioner of Revenue of the nature and quantity of the goods seized. Any such seized goods shall be held for a period of twenty days and if after such period no person has claimed such cigarettes as his property, the Commissioner shall cause the same to be exposed to public sale to any person authorized to purchase untaxpaid cigarettes. Such sale shall be on notice to be published in a newspaper as defined in Kentucky Revised Statutes, Chapter 424, and at a time not less than seven nor more than fourteen days after the date of such publication. All proceeds, less the cost of sale, from any such sale shall be paid into the Kentucky State Treasury for general fund purposes.*

(3) *It is declared to be the legislative intent that any vending machine used for dispensing cigarettes on which Kentucky cigarette tax has not been paid is contraband and subject to seizure and forfeiture. In the event any peace officer or agent of the Department finds any vending machine within the borders of this state dispensing untaxpaid cigarettes, he shall immediately seize any such vending machine and store the same in a safe place to*

be selected by him. He shall thereafter proceed as provided in subsection two of this section and the Commissioner of Revenue shall cause any such vending machine to be sold, and the proceeds applied, as set out in subsection two of this section.

(4) *No cigarettes, on which the tax imposed by this Act has not been paid, shall be transported within this state by any person other than a manufacturer or a person licensed under the provisions of this Act. It is declared to be the legislative intent that any motor vehicle used to transport any such cigarettes by other persons is contraband and subject to seizure and forfeiture. In the event any peace officer or agent of the Department finds any such motor vehicle, he shall immediately seize such motor vehicle and store it in a safe place to be specified by him. He shall thereafter proceed as provided in subsection two of this section and the Commissioner of Revenue shall cause any such motor vehicle to be sold, and the proceeds applied, as set out in subsection two of this section.*

(5) *The owner or any person having an interest in any goods, machines or vehicles seized as provided under subsections one, two, three and four of this section may apply to the Commissioner of Revenue for remission of the forfeiture for good cause shown. If it is shown to the satisfaction of the Commissioner of Revenue that the owner was without fault in the possession, dispensing or transportation of such untaxpaid cigarettes, he shall remit the forfeiture. In the event he determines that such possession, dispensing or transportation of untaxpaid cigarettes was wilful or intentional he may nevertheless remit the forfeiture on condition that the owner pay a penalty to be prescribed by him of not more than fifty percent of the value of the thing forfeited. All taxes due on untaxpaid cigarettes shall be paid in addition to such penalty, if any.*

(6) *An appeal shall be taken from any order entered by the Commissioner of Revenue in any forfeiture provided for by this section, which appeal shall be prosecuted as provided by Kentucky Revised Statutes, Chapter 131, Section 110, and Kentucky Revised Statutes, Chapter 131, Section 120.*

(7) *Any licensee under this Act who violates any provision of this Act, or any regulation promulgated hereunder, shall become indebted to the Commonwealth in the sum of five hundred dollars for each violation. Such civil penalty may be collected by action in the Franklin Circuit Court.*

(8) *Any manufacturer who fails to keep written records, and submit reports thereof to the department, as required by the provisions of subsection ten of section four of this Act, shall become indebted to the Commonwealth in the sum of one thousand dollars for each violation. Such penalty may be enforced by action of the Franklin Circuit Court.*

(9) *Any manufacturer doing business within this state without having complied with the provisions of Kentucky Revised Statutes, Chapter 271, Section 385 as to designation of process agent shall, by so doing of business, be deemed to have made the Secretary of State its agent for the service of process in any civil action instituted in the Franklin Circuit Court for the recovery of the penalty provided herein. In any such action, the complaint shall set forth the post office address of the home office of the manufacturer.*

(10) *Any nonresident person licensed under the provisions of this Act shall, at the time of application for such license, designate some resident of this state as a process agent for the purpose of service of civil process in any civil action originating in any court of this Commonwealth, and service upon such person so designated shall be sufficient to bring such nonresident person before any court of this Commonwealth for all purposes.*

(11) *If any person becomes delinquent in the payment of any tax due under the provisions of this Act, he shall, in addition to any such tax due, pay a penalty equivalent to twenty percent of the tax due.*

(12) *If any person shall act in the capacity of a licensee under the provisions of this Act without having secured a license as provided herein, he shall, in addition to the payment of the fee for such a license, pay a penalty equivalent to twenty percent of such fee.*

Section 8. *No person shall sell or offer to sell to any other person cigarettes made contraband by subsection 1 of section 7 of this Act.*

Section 9. Section 138.990 of the Kentucky Revised Statutes is amended to read as follows:

[(1) (Subsection (1) omitted.)]

[(2) (Subsection (2) omitted.)]

[(3) (Subsection (3) repealed, 1958, c. 126, 15; effective June 19, 1958)]

(4) Any person who violates any provision of sections two, four or five of this Act, for which a specific penalty is not provided shall be fined not less than twenty-five dollars nor more than five hundred dollars for the first offense; for each such subsequent offense he shall be fined not less than fifty dollars nor more than one thousand dollars and, if the offender is an individual, may be confined in the county jail for not more than six months. These fines shall be in addition to the civil penalties provided by section seven of this Act.

[(4) Any person who violates any provision of KRS 138.140 to 138.200 for which a specific penalty is not provided, or who violates any reasonable rule or regulation promulgated by the Department of Revenue under KRS 138.140 to 138.200, shall be fined not less than twenty-five dollars nor more than five hundred dollars for the first offense; for each subsequent offense he shall be fined not less than fifty dollars nor more than one thousand dollars and, if the offender is an individual, may be confined in the county jail for not more than six months, or both so fined and imprisoned. These fines shall be in addition to the civil penalties provided by KRS 138.170.]

(5) *Any person who fails to supply the information required by section four, subsection eight, of this Act shall be fined not less than one hundred dollars nor more than two hundred dollars for the first offense; for each subsequent offense he shall be fined not less than two hundred and fifty dollars nor more than five hundred dollars. These fines shall be in addition to any civil penalty provided by section seven of this Act.*

[(5) Any person who violates any of the provisions of KRS 138.180 shall be guilty of a misdemeanor and shall be fined not less than one hundred dollars nor more than one thousand dollars, or imprisoned for not less than one nor more than five years, or both.]

(6) *Any person violating subsection ten of section four, or any regulations adopted thereunder, shall be fined not more than one thousand dollars. This fine shall be in addition to any civil penalty provided by section seven of this Act.*

[(6) Any person who violates any of the provisions of KRS 138.200 shall be fined not more than one thousand dollars, and if the offender is an individual he may be confined in the county jail for not more than six months, or both so fined and imprisoned. These fines shall be in addition to the civil penalties provided by KRS 138.170.]

(7) *Any person who makes a false entry upon any invoices or any record relating to the purchase, possession, transportation, or sale of cigarettes, and presents any such false entry, to the department or any of its agents, with the intent to avoid any tax imposed hereby shall be guilty of a felony and shall be imprisoned in the penitentiary for not less than one nor more than two years.*

(8) *Any person who shall counterfeit any cigarette tax evidence shall be guilty of a felony and imprisoned for not less than two nor more than ten years in the state penitentiary.*

(9) *Any person who sells, offers to sell, or uses counterfeit cigarette tax evidence, affixed or unaffixed, with the intention of evad-*

ing any tax imposed by this Act shall be guilty of a felony and imprisoned for not less than two or more than ten years in the state penitentiary.

(10) [(7)] Any person who fails to remit gasoline tax money to the state as provided in KRS 138.280 is guilty of embezzlement of state funds, and shall be fined not more than one thousand dollars or imprisoned in the county jail for not more than six months, or both. Upon conviction of a second offense he shall be imprisoned for not less than one year nor more than five years in the state penitentiary.

(11) [(8)] Any person who violates any of the provisions of KRS 138.300 shall be fined not less than twenty-five dollars nor more than one thousand dollars, or imprisoned in the county jail for not more than six months, or both. This penalty shall be in addition to the penalty provided in subsection (10) [(7)] of this section.

(12) [(9)] Any person who violates KRS 138.310 shall be fined not less than one hundred dollars nor more than one thousand dollars, or imprisoned in the county jail for not less than thirty days nor more than one year, or both. Each day or part of day of doing business as a dealer without an uncancelled license shall be a separate offense.

(13) [(10)] Any person who violates any of the provisions of KRS 138.460 or 138.470 shall be fined not less than twenty-five dollars nor more than one thousand dollars. If the offender is an individual, he may be imprisoned in the county jail for not more than six months, or both so fined and imprisoned.

(14) [(11)] Any person who violates any of the provisions of KRS 138.480 or 138.490 shall be fined not more than one thousand dollars or imprisoned in the county jail for not more than thirty days, or both.

(15) [(12)] If any offender, under the provisions of subsections *(4), (5), (6), (7), (8), (9), (10), (11), (12), (14), or (22)* [(2), (7), (8), (9) or (11)] of this section is a corporation, the principal officer or the officer directly responsible for the violation, or both, may be imprisoned as provided in those subsections.

(16) [(13)] Any person who violates any provisions of subsection (1) of KRS 138.354, whether or not his permit has been revoked by the Kentucky Tax Commission, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned not exceeding one year, or both, in the discretion of the court.

(17) [(14)] Any person, other than the holder of a refund permit, who shall knowingly violate any provision of KRS 138.343 to 138.357, shall be guilty of a misdemeanor and upon conviction

thereof shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned not exceeding one year, or both, in the discretion of the court.

(18) [(15)] Any person who makes a false or fraudulent statement in an application made pursuant to KRS 138.342 for a refund of taxes provided by KRS 138.341 or who fraudulently obtains such a refund or who knowingly aids or assists in making such a false or fraudulent statement or claim for refund, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned not exceeding one year, or both, in the discretion of the court.

(19) [(16)] Any person violating any provision of KRS 138.630 shall be fined not more than one thousand dollars or imprisoned in the county jail for more than six months, or both. Upon conviction of a second offense, he shall be imprisoned for not less than one year nor more than five years in the state penitentiary.

(20) [(17)] Any person violating any provisions of KRS 138.655 to 138.725 is guilty of a misdemeanor and upon conviction is punishable by a fine of not less than nineteen dollars nor more than five hundred dollars or by imprisonment in the county jail for not less than thirty days nor more than six months or by both such fine and imprisonment.

(21) [(18)] In addition to the penalties provided in KRS 138.990 *(20)* [(17)], the motor vehicle or vehicles of any person violating any provision of KRS 138.720 shall be subject to seizure by any officer duly authorized to enforce the provisions of KRS 138.655 to 138.725.

(22) *Any person violating section eight of this Act shall be confined in the penitentiary not less than two nor more than five years.*

Section 10. Section 137.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 137.020 or 137.030 shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned for not less than thirty days nor more than six months, or both.

[(2) (a) Any person who engages in any business or sells or offers to sell or has on hand for the purpose of sale any article or exercises any privilege for which a license is required by KRS 137.040 to 137.110 before procuring the license and paying the tax, shall be fined not less than twenty-five dollars nor more than two hundred dollars for each offense, unless otherwise specifically provided.]

[(b) Any county clerk who violates any of the provisions of KRS 137.040 to 137.110, or any reasonable rule or regulation of the Department of Revenue thereunder, shall be fined not less than fifty dollars nor more than one thousand dollars for each offense.]

[(c) Any person who makes under oath a false statement in securing a license under KRS 137.040 to 137.110 shall be deemed guilty of a misdemeanor.]

(3) (a) Any person required to register, make reports, or collect and pay taxes under the provisions of KRS 137.120 to 137.160 who fails to pay taxes, penalty and interest after becoming delinquent, or fails for thirty days after the required date to make a report or register, shall pay a penalty of ten percent on the amount of tax due, and shall pay an additional penalty of five percent on the first day of each month so long as the tax remains due and unpaid, except the total penalty paid shall not exceed twenty-five percent of tax due.

(b) Any person who violates any of the provisions of KRS 137.120 to 137.160 may be fined not less than one hundred dollars nor more than five hundred dollars or imprisoned for not less than thirty days nor more than six months or both.

(4) Any person who violates any of the provisions of KRS 137.170 or 137.180 shall be fined not more than one thousand dollars or imprisoned in the county jail not more than thirty days, or both so fined and imprisoned. If the offender is a corporation, the principal officer or the officer or employee directly responsible for the violation, or both, shall be punished as provided in this subsection.

[(5) (Subsection (5) omitted by Reviser)]

[(6) (Subsection (6) added, 1948, c. 110, 10; repealed, 1950, c. 68, 12)]

(7) Whoever violates any of the provisions of KRS 137.340 to 137.400 shall, upon conviction thereof, be fined not less than twenty-five dollars nor more than five hundred dollars. Whoever attaches or causes to be attached to a coin machine any fictitious evidence of tax payment purported to be issued by the Department, or a counterfeit thereof, shall upon conviction thereof be fined not less than one thousand dollars, and each separate fictitious counterfeit license stamp or receipt so attached or used on a coin machine shall constitute a separate and distinct offense.

HB 225, AN ACT relating to the excise tax on alcoholic beverages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 243.730 of the Kentucky Revised Statutes is amended to read as follows:

(1) (a) Wholesalers of distilled spirits and wine shall pay and report the tax levied by KRS 243.720 (1) and (2) on or before the fifteenth day of the calendar month next succeeding the month in which possession or title of the alcoholic beverages is acquired, in accordance with the rules and regulations of the Department of Revenue designed reasonably to protect the revenues of the Commonwealth.

(b) [After March 31, 1960] Brewers of malt beverages shall pay and report the tax levied by KRS 243.720 (3) on or before the fifteenth day of the calendar month next succeeding the month in which the brewer sells, transfers, or passes title of the malt beverage to a distributor, retailer or consumer within this state, in accordance with rules and regulations of the Department of Revenue designed reasonably to protect the revenues of the Commonwealth.

(2) (a) Every wholesaler of distilled spirits or wine before using, selling or distributing by sale or gift distilled spirits and wine shall qualify with the Department of Revenue. In order to so qualify and in lieu of furnishing a bond or other security, each wholesaler who was licensed in this state on February 29, 1960, shall make an advance payment of tax to the department in an amount equal to twice the average monthly liability of such wholesaler for taxes imposed by KRS 243.720 (1) and (2) during the calendar year 1959 as shown by records of the department. [If such wholesaler shall have in his possession unused tax stamps which he has already purchased from the department, he may apply the unused stamps toward the amount of tax required by this subsection according to the rules and regulations of the department.]

(b) Any person who acquired or who shall acquire a license as a wholesaler of distilled spirits or wine on or after March 1, 1960 shall immediately prepare and file a report on a form prescribed by the department. Such report shall contain an estimate of the total number of wine gallons of distilled spirits and the total number of gallons of wine for which the wholesaler expects to become liable for the payment of tax under KRS 243.720 (1) and (2) during the first twelve months that he is engaged in business. Immediately upon the receipt of the report from the wholesaler, the department shall determine the average monthly amount of tax imposed by KRS 243.720 (1) and (2) for which it appears that the wholesaler may become liable and shall bill the wholesaler for an amount of tax equal to twice the monthly average. The department shall have the power to adjust the estimate in order to make it conform as nearly as practicable with the past experience of other wholesalers who have been engaged in business for twelve months or more, and in no event shall the advance payment required of any new wholesaler be less than one-half of the average amount of advance payments required under paragraph (a) of this subsection, as determined by the department. The bill for advance tax shall be due and payable immediately upon receipt by the wholesaler. He shall make payment to the department by cashier's or certified check before using, selling or distributing by sale or gift any distilled spirits or wine.

(3) (a) Beginning April 1, 1960, every brewer before selling or distributing by sale or gift malt beverages, or before importing malt beverages into the state, shall qualify with the Department of Revenue. In order to so qualify, each brewer who was licensed in this state on February 29, 1960 or who was qualified to import malt beverages into this state on February 29, 1960, shall make an advance payment of tax to the department in an amount equal to twice the average monthly liability of such brewer for taxes imposed by KRS 243.720 (3) during the calendar year 1959 as shown by records of the department. [If such brewer shall have in his possession unused barrel stamps which he has already purchased from the department, he may apply the unused barrel stamps toward the amount of tax required by this subsection according to the rules and regulations of the department.]

[(b) Upon application and proof of previous compliance with the payment and reporting of the tax in accordance with the applicable regulations, the department may substitute bond, with or without approved surety, as determined in its discretion upon consideration of the financial condition of the applicant, for one-half of the advanced payments made pursuant to subsection (2) and this subsection, and the amount of such prepayment for which bond is substituted shall be applied as credits on the tax due by such brewer. The balance of such prepayments shall be refunded, in cash or by credit, only at such time as the brewer ceases doing business in Kentucky in accordance with the rules and regulations of the department.]

(b) [c] Any person who acquired or who shall acquire a license as a brewer, or who shall apply for authority to import malt beverages into this state on or after March 1, 1960, shall immediately prepare and file a report on a form prescribed by the department. Such report shall contain an estimate of the total quantity of malt beverages for which the brewer expects to become liable for the payment of tax under KRS 243.720 (3) during the first twelve months that he is engaged in business. Immediately upon the receipt of the report from the brewer, the department shall determine the average monthly amount of tax imposed by KRS 243.720 (3) for which it appears that the brewer may become liable and shall bill the brewer for an amount of tax equal to twice the monthly average. The department shall have the power to adjust the estimate in order to make it conform as nearly as practicable with the past experience of other brewers who have been engaged in business for twelve

months or more, and in no event shall the advance payment required of any new brewer be less than one-half of the average amount of advance payment required under paragraph (a) of this subsection, as determined by the department. The bill for advance tax shall be due and payable immediately upon receipt by the brewer. He shall make payment to the department by cashier's or certified check before selling or distributing malt beverages or before importing malt beverages into this state.

[(4) No part of any advance payment made pursuant to subsections (2) and (3) of this section shall be subject to refund but shall be restored to the wholesaler or brewer in the form of a credit or credits only at such time as the wholesaler or brewer ceases doing business in Kentucky according to rules and regulations of the department.]

(4) (a) Upon application and proof of previous compliance with the payment and reporting of the tax in accordance with the applicable regulations, the department may substitute bond, with or without approved surety, as determined in its discretion upon consideration of the financial condition of the applicant, for all or any part of the advanced payments made pursuant to this section.

(b) Upon substitution of bond as provided herein, advance payment of taxes made by the wholesaler or brewer pursuant to this section shall be applied as credits on the tax due by such wholesaler or brewer pursuant to rules and regulations of the department. In the event that any wholesaler or brewer shall cease doing business in this state, any such advance payment of taxes, not previously credited, shall be refunded pursuant to rules and regulations of the department.

[(5) This section shall not be construed in any manner which would require any wholesaler or brewer who has already made an advance payment of tax prior to March 25, 1960, according to rules and regulations of the Department of Revenue to make any additional advance payment in order to qualify hereunder.]

[(6) The department is hereby authorized and empowered to require a corporate surety bond in an amount satisfactory to the department from all persons who were qualified to import malt beverages into this state on February 29, 1960, but who did not in fact import any malt beverages after March 25, 1960.]

SB 231, AN ACT relating to Workmen's Compensation, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 342.120 is hereby amended to read as follows:

(1) A claimant may in the original application for benefits, or either party may by motion while the case is pending, accompanied by proper allegations, and the board shall upon its own motion at any time before the rendition of the final award, cause the Subsequent Claim Fund to be made a party to the proceedings if either or both of the following appears:

(a) The employe is disabled, whether from a compensable injury, occupational disease, pre-existing disease, or otherwise, and has received a subsequent compensable injury by accident, or has developed an occupational disease;

(b) The employe is found to have a dormant non-disabling disease condition which was aroused or brought into disabling reality by reason of a subsequent compensable injury by accident or an occupational disease.

(2) When the Subsequent Claim Fund has been made a party the board shall direct the procedures provided in KRS 342.121.

(3) If it is found that the employe is a person mentioned in subsection (1) (a) or (b) and a subsequent compensable injury or occupational disease has resulted in additional permanent disability so that the degree of disability caused by the combined disabilities is greater than that which would have resulted from the subsequent injury or occupational disease alone, and the employe is entitled to receive compensation on the basis of the combined disabilities, the employer shall be liable only for the degree of disability which would have resulted from the latter injury or occupational disease had there been no pre-existing disability or dormant, but aroused diseased condition.

(4) The remaining compensation for which such resulting condition would entitle the employe, including any compensation for disability resulting from a dormant disease aroused into disabling reality by the injury or occupational disease, but excluding all compensation which the provisions of this chapter would have afforded on account of prior disabling disease *or injury* had it been compensated thereunder, shall be paid out of the Subsequent Claim Fund provided for in subsection (1) of KRS 342.122.

(5) Upon motion, with notice to the Commissioner of Industrial Relations, and it appearing to the board that a claimant who had been awarded compensation under any one of the several provisions of this chapter becomes re-employed [by the employer against whom the award was made,] or continues in his employment in which he was injured, *during the period of such employment or re-employment the payments accruing* [any part of the award not paid at the time the claimant becomes re-employed] shall be paid out of the Subsequent Claim Fund; [or, if the claim-

ant has continued in his employment then the whole award shall be paid from the Subsequent Claim Fund.] said unpaid portion of the award *during such period* shall be awarded against the Subsequent Claim Fund and paid by the Commissioner of Industrial Relations. [as are all other subsequent claim awards.] *Whenever the weekly payments under this section would be less than sixteen dollars ($16.00) per week the period shall be shortened and the payments correspondingly increased to that amount.* The employment or re-employment contemplated herein shall be at wages equal to or greater than the employe was receiving [before] *at the time of* the trumatic injury by accident [.] *or at the time of the last injurious exposure to the occupational diseases. Upon proper motion or by agreement of the parties the board may order a lump sum payment pursuant to KRS 342.150. The board shall, when this subsection is operative, liberally construe its provisions in favor of the employe with respect to the granting of a lump sum payment, and shall allow such lump sum payment unless it clearly appears that there will be an undue risk of overpayment. This subsection shall affect all unpaid Workmen's Compensation benefits and shall be applicable to all cases presently pending before the board.*

Section 2. KRS 342.122 is hereby amended to read as follows:

(1) "Adjusted cost" as used in this section and in Section 4 of this Act means all compensation, hospital and medical benefits paid thereunder, plus an additional factor of twelve percent of such total payments, to cover the administrative cost of the employer. "Adjusted cost" shall not include amounts paid for injuries occurring prior to the effective date of this Act.

[(1)] *(2)* In addition to the taxes and assessments imposed by KRS 342.450 and 342.475, a subsequent claim fund tax at the rate of three-fourths of one percent of the amount of premiums received shall be paid by every insurance carrier as defined in KRS 342.445, subject to the credits therein set out, and the board shall assess against the [payrolls] *"adjusted cost"* of every employer carrying his own risk a Subsequent Claim Fund Tax computed by taking three-fourths of one percent of the [basic premiums] *"adjusted cost"* determined as provided in KRS 342.475. The provisions of KRS 342.450, 342.455, 342.460, 342.465 and 342.470 shall, so far as applicable, also apply to the levy and collection of such additional tax of three-fourths of one percent of such premiums of insurance carriers.

[(2)] *(3)* All taxes and assessments imposed by subsection [(1)] *(2)* of this section shall be paid into the State Treasury and shall be credited to the Subsequent Claim Fund for the board, which fund shall be used only for the payment of awards of compensation made by the board and chargeable against said fund, expenses of legal representation thereof, fees and expenses of the physicians in connection therewith, and shall be withdrawn for that purpose under the supervision of the Commissioner of Industrial Relations.

[(3)] *(4)* Any sum remaining in the Subsequent Claim Fund to the credit of the Workmen's Compensation Board at the end of any fiscal year shall be set up by the Department of Finance to the credit of the board in such fund for the next ensuing fiscal year.

[(4)] *(5)* If the amount to the credit of the Subsequent Claim Fund as of June 30 of any year exceeds $200,000, the tax of three-fourths of one percent upon insurance premiums provided for under subsection [(1)] *(2)* of this section and the three-fourths of one percent assessment upon employers carrying their own risk provided for under subsection [(1)] *(2)* of this section shall not be assessed or collected during the ensuing year.

[(5)] *(6)* If the Commissioner of Industrial Relations finds that the subsequent claim fund tax levied pursuant to this section is insufficient to pay such claims awarded under the Subsequent Claim Fund provisions, then he may levy an additional assessment against all insurance companies writing Workmen's Compensation insurance in Kentucky, including every employer carrying his own risk, for an amount not to exceed $100,000. The amount of each insurance company's assessment shall be in *the* proportion that each company's annual Workmen's Compensation premium writings in Kentucky bears to the total of all annual Workmen's Compensation premiums written in Kentucky. Such assessment will be based upon information contained in the insurance company's last filed annual statement with the Department of Insurance. Such assessments against every employer carrying his own risk will be based upon [what the premium would have been were the coverage carried with insurance companies.] *that proportion which the "adjusted cost" of such own risk carrier bears to the total "adjusted cost" of all such own risk carriers.* [Payroll information filed with the Department of Industrial Relations] *"Adjusted cost" reports filed with the board in accordance with KRS 342.475* will be the basis of such determination. *Such additional assessment against insurance companies and employers carrying their own risk shall be apportioned between the two classes as the total of premiums and the total of "adjusted cost" each bears to the combined total.*

[(6)] *(7)* The fund heretofore designated as the Subsequent Injury Fund is abolished and there is substituted therefor the Subsequent Claim Fund as herein set out and all monies and properties owned by the Subsequent Injury Fund are transferred to the Subsequent Claim Fund.

Section 3. KRS 342.316 is hereby amended to read as follows:

(1) "Occupational Disease" as used in this chapter means a

disease arising out of and in the course of the employment. Ordinary diseases of life to which the general public is equally exposed outside of the employment shall not be compensable, except where such diseases follow as an incident of an occupational disease as defined in this section.

(a) A disease shall be deemed to arise out of the employment only if there is apparent to the rational mind, upon consideration of all the circumstances, a direct casual connection between the conditions under which the work is performed and the occupational disease, and which can be seen to have followed as a natural incident to the work as a result of the exposure occasioned by the nature of the employment and which can be fairly traced to the employment as the proximate cause, and which does not come from a hazard to which workmen would have been equally exposed outside of the employment. The disease shall be incidental to the character of the business and not independent of the relationship of employer and employe. The disease need not have been forseen or expected but, after its contraction, it must appear to have had its origin in a risk connected with the employment and to have flowed from that source as a rational consequence.

(b) "Injurious exposure" as used in this section shall mean that exposure to occupational hazard which would, independently of any other cause whatsoever, produce or cause the disease for which claim is made.

(2) The procedure with respect to the giving of notice [of disability or death] and as to the filing of claims and determination thereof in occupational disease cases and the compensation and medical benefits payable for disability or death due to such disease shall be the same as in cases of accidental injury or death under the general provisions of this chapter, except that notice [of disability] *of claim* shall be given to the employer as soon as practicable after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted such disease, or a diagnosis of such disease is first communicated to him, whichever shall first occur.

(3) The right to compensation under this chapter for disability resulting from an occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within one year after the last injurious exposure to the occupational hazard or after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted the disease, whichever shall last occur; and if death results from the occupational disease within said period, unless a claim therefor be filed with the Workmen's Com-

pensation Board within one year after such death; provided, however, that notice of such claim shall be deemed waived in case of disability or death where the employer, or his insurance carrier, voluntarily makes payment therefor, or, if the incurrence of the disease or the death of the employe, and its cause was known to the employer [.]*; provided, however, that the right to compensation for any occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within five years from the last injurious exposure to the occupational hazard.*

(4) In claims for compensation due to the occupational disease of silicosis *or any other compensable pneumoconiosis* it must be shown that the employe was exposed to the hazards of the disease in his employment within this state for at least two years immediately next before his disability or death.

(5) The amount of compensation payable for disability due to occupational disease or for death from such disease, and the time and manner of its payment, shall be the same as provided for accidental injury or death under the general provisions of the Workmen's Compensation Act, but in no event to exceed such amounts *as were in effect at the time of the last injurious exposure,* and, provided further, that the time of the beginning of compensation payments shall be the date of the employe's last injurious exposure to the cause of the disease, or the date of actual disability, whichever is later, and provided further, that in case of death where the employe has been awarded compensation or made timely claim within the period provided for in this section, an employe has suffered continuous disability to the date of his death occurring at any time within ten years from the date of disability, his dependents, if any, shall be awarded compensation for his death as provided for under the general provisions of the Workmen's Compensation Act and in this section.

(6) In case of disability or death from silicosis, *or any other compensable pneumoconiosis,* [an occupational disease,] complicated with tuberculosis of the lungs, compensation shall be payable as for *the* uncomplicated [silicosis] disease, provided, however, that [silicosis] *the disease* was an essential factor in causing such disability or death.

(7) If an autopsy has been performed, no testimony relative thereto shall be competent unless the employer or his representative and a representative of the deceased employe shall have participated therein or been given reasonable opportunity to do so.

(8) No compensation shall be payable for occupational disease if the employe at the time of entering the employment of the employer by whom compensation would otherwise be payable, falsely represented himself, in writing, as not having been previously dis-

abled, laid off, or compensated in damages or otherwise, because of such disease, or failed or omitted truthfully to state to the best of his knowledge, in answer to written inquiry made by the employer, the place, duration and nature of previous employment, or, to the best of his knowledge, the previous state of his health.

(9) Where an occupational disease is aggravated by other disease or infirmity not itself compensable or where disability or death from any other cause not itself compensable, is aggravated, prolonged, accelerated or in anywise contributed to by occupational disease the compensation payable shall be reduced and limited to such proportion only of the compensation that would be payable if occupational disease were the sole cause of the disability or death as such occupational disease, as a causative factor, bears to all causes of such disability or death, such reduction in compensation to be affected by reducing the number of weekly or monthly payments or the amount of such payments as under the circumstances of the particular case may be for the best interests of the claimant or claimants.

(10) No compensation for death from occupational disease shall be payable to any person whose relationship to the deceased, which, under the provisions of this chapter would give right to compensation, arose, subsequent to the beginning of the first compensable disability, save only to after-born children of a marriage existing at the beginning of such disability.

(11) Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the general provisions of this chapter and it is subsequently discovered, at any time before the final disposition of such cause, that the claim for injury, disability or death which was the basis for such application should properly have been made under the provisions of this section, then the application so filed may be amended in form or substance, or both, to assert a claim for such injury, disability or death under the provisions of this section, and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence pursuant to the provisions of this chapter. When such amendment is submitted, further or additional evidence may be heard by the board when deemed necessary. Nothing this section contains shall be construed to be or permit a waiver of any of the provisions of this chapter with reference to notice of time for filing of a claim, but notice of filing a claim, if given or done, shall be deemed to be a notice of filing of a claim under provisions of this chapter, if given or done within the time required herein.

(12) When an employe has an occupational disease that is covered by this chapter, the employer in whose employment he was last injuriously exposed to the hazard of the disease, and the em-

ployer's insurance carrier, if any, at the time of the exposure, shall alone be liable therefor, without right to contribution from any prior employer or insurance carrier [.]; *except as otherwise provided herein.*

(13) (a) The employer liable for compensation for occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, shall be the employer in whose employment the employe was last exposed to the hazard of such occupational disease during a period of six months or more. In those cases where disability or death are not conclusively proven to be the result of such last exposure all compensation shall be paid out of the Subsequent Claim Fund. In all other cases of occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, the compensation for disability or death due to such diseases shall be paid jointly by the employer and the Subsequent Claim Fund, and the employer shall be liable for sixty percent of the compensation due and the Subsequent Claim Fund shall be liable for forty percent of the compensation due.

(b) In all claims for compensation partially payable by the Subsequent Claim Fund the Commissioner of Industrial Relations, as custodian of said Fund, shall be designated as a co-defendant.

(c) In all agreements for the payment of compensation and awards the amount payable by the employer and the amount payable out of the Subsequent Claim Fund shall be separately stated. An award against the employer shall be for only the percentage of the total compensation which the employer is obligated to pay. A separate award shall be made against the Subsequent Claim Fund for the balance of the compensation payable. Nothing in this section shall prohibit the Commissioner of Industrial Relations, as custodian of the Subsequent Claim Fund, from entering into agreements to pay the compensation for which it is liable; provided, however, that where compensation is payable by both the employer and the Subsequent Claim Fund, the Commissioner shall not enter into an agreement unless the employer is a party to the agreement.

Section 4. Section 342.475 of the Kentucky Revised Statutes is hereby amended to read as follows:

Every employer carrying his own risk under KRS 342.340 shall, under oath, report to the board his [payroll subject to this chapter.] *"adjusted cost" of operating under the provisions of this Chapter during the period covered by such report.* Such report shall be made in form prescribed by the board and at the time provided for premium reports by [insurer.] *the insurance carriers.* The board shall assess against such [payroll a maintenance fund tax computed by taking two percent of the basic premiums chargeable against it or most similar industry or business, taken from the manual insurance rates for compensation then in force in this state.] *"adjusted costs" so reported a maintenance fund tax of two percent.*

Section 5. Whereas, existing provisions of the Workmen's Compensation Act relating to occupational diseases produce an inequitable result which is seriously threatening the financial stability of certain industries in the Commonwealth and contributing to unemployment, an emergency is hereby declared to exist and this Act shall become effective upon its passage and approval by the Governor.

HB 232, AN ACT relating to education and making an appropriation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. To carry out the provisions of House Bill No. 207, 1962 Regular Session, there is appropriated to the State Committee for School District Audits out of the General Expenditure Fund in the State Treasury the sum of Seventy-five Thousand Dollars for the 1962-63 fiscal year, and the sum of Seventy-five Thousand Dollars for the 1963-64 fiscal year.

Section 2. Any money remaining unexpended from this appropriation on June 30, 1963, shall not lapse to the General Expenditure Fund but shall remain available for expenditure in the 1963-64 fiscal year.

HB 230, AN ACT relating to automobile, vehicle and machinery junkyards.

WHEREAS automobile, vehicle and machinery junkyards or so-called "auto or machinery graveyards" have been steadily expanding and frequently encroach upon highways often distracting the attention of drivers of motor vehicles because it appears cars are parked on the highway or that an accident has occurred; and

WHEREAS in the location, design and construction of highways, consideration is given to preservation and enhancement of natural scenic beauty and esthetic values, at a substantial expenditure of public funds, and it is in the public interest that the values accruing to the public from such investment of public funds be preserved and protected; and

WHEREAS the General Assembly has found that a period of two (2) years is a reasonable maximum period of time for realization of investment in the salvage of parts and sale of scrap and for corrective measures to be taken;

NOW THEREFORE

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this act unless the context otherwise requires:

(1) "Road" means any county, state, federal or limited access highway or turnpike including bridges and bridge approaches.

(2) "Automobile, vehicle or machinery junkyard" means any place where 5 or more junked, wrecked or non-operative automobiles, vehicles, machines, and other similar scrap or salvage materials are deposited, parked, placed or otherwise located.

(3) "Operator or operators" means a person, firm or corporation operating an automobile, vehicle or machinery junkyard, or the allowing of such automobile, vehicle or machinery junkyard to be placed or deposited, or to remain on premises owned or controlled by such person, firm or corporation.

(4) "Person" means any individual, firm, agency, company, association, partnership, business trust, joint stock company or corporation.

(5) "Department" means the Kentucky Department of Highways.

(6) "Commissioner" means the Commissioner of the Kentucky Department of Highways.

Section 2. No person shall operate or cause to be operated any automobile, vehicle or machinery junkyard which is situated closer than 2000 feet to the centerline of any road unless a permit for such operation shall have been obtained from the Department. The operation of any automobile, vehicle or machinery junkyard so situated without a permit is hereby declared to be a public nuisance.

Section 3. The permit required by Section 2 of this act shall be issued in accordance with the rules and regulations of the Department promulgated pursuant to the provisions of this act when it is shown to the satisfaction of the Commissioner that an automobile, vehicle or machinery junkyard located closer than 2000 feet to the centerline of any road is so far as deemed practical by the Commissioner hidden from the view of motorists using such road by an artificial or natural screen, or is by virtue of natural topography so hidden. The screening required herein may be effected by the construction of a fence, or by planting shrubs, trees, or flowering plants the foliage of which provides a suitable and sufficient screen or by making use of foliage already in existence. The screening required herein must be in use within six months of the effective date of this act.

Section 4. The Commissioner is hereby directed to charge a fee of fifty dollars ($50.00) for the issuance of a permit required by Section 3 of this act. Such permit shall be effective for a two-year period beginning July 1, 1962 through June 30, 1964, and each two-year period thereafter. Proceeds from such fees shall be paid to the State Treasurer and hereby are appropriated to the state road fund.

Section 5. Where the Commissioner has reasonable cause to doubt the financial responsibility of the operator or compliance by the operator with the provisions of this act, the Commissioner may require such operator to furnish and maintain a bond in such form, amount, and with such sureties as he shall approve, but not less than one thousand dollars ($1,000.00) nor more than five thousand dollars ($5,000.00), conditioned upon the operator complying with the provisions of this act and the regulations adopted pursuant hereto. Any bond forfeiture is hereby appropriated to the state road fund.

Section 6. Where, in the opinion of the Commissioner, compliance with the provisions of Section 3 of this act would cause peculiar or exceptional hardship to the operator of any automobile, vehicle or machinery junkyard in operation as of July 1, 1962, within 2000 feet of the centerline of any road, such automobile, vehicle or machinery junkyard may continue to be maintained for a period of two (2) years following the effective date of this act, but may not be expanded, enlarged, increased in size, or added to in any manner.

Section 7. The Department is hereby empowered to:

(1) Exercise general supervision of the Administration and enforcement of this act.

(2) Adopt after hearing such rules and regulations pertaining to the operation of automobile, vehicle and machinery junkyards as the Commissioner may deem necessary to the administration and enforcement of this act.

(3) Adopt without hearing rules and regulations with respect to the sufficiency, type of material or foliage, height, density and size of the screening required by Section 3 to insure the accomplishment of the purpose of this act.

(4) Adopt without hearing rules and regulations with respect to the procedural aspects of hearings, the filing or reports and orders, the issuance of permits and other matters.

(5) Issue after hearing orders abating the operation of an automobile, vehicle or machinery junkyard in violation of the provisions of this act, or requiring the adoption of remedial measures including the construction or planting of screens or the utilization of natural screening, extension, modification or addition to new or existing screens.

(6) Issue, continue in effect, revoke, modify or deny under such conditions as the Department may prescribe permits for the operation of an automobile, vehicle or machinery junkyard.

(7) Make investigations or inspections which may be deemed necessary by the Commissioner to insure compliance with the provisions of this act, or with any rules, regulations or orders of the Department which may be deemed necessary to enable the Department to administer and enforce the provisions of this act.

(8) Institute in a court of competent jurisdiction procedures to compel compliance with the provisions of this act and with the orders, rules and regulations issued pursuant thereto.

(9) Enter at any reasonable time through any officer, assistant, agent or employee in or upon any public or private property for the purpose of investigation and inspection of conditions relating to the operation of any automobile, vehicle or machinery junkyard.

(10) Perform such other and further acts as may be necessary, proper or desirable in order to carry out effectively the duties and responsibilities of the Department herein prescribed.

Section 8. (1) Public hearings shall be conducted by the Department prior to the adoption of any rules or regulations which pertain to the prevention, abatement or control of automobile, vehicle or machinery junkyards; or before the issuance of any order prohibiting the performance by any person of any act or acts deemed to be in controvention of any rules, regulations, orders or permits of the Department; or before denial, revocation or modification of any permit provided for by this act; or before any other final determination is made by the Department which directly affects the activities of any person.

(2) The Department shall grant a hearing to any person, not previously heard in connection with the issuance of any order or the making of any determination, who may consider himself aggrieved by any such order or determination and who shall file with the Department a verified petition alleging that such order or determination is contrary to law or that is injurious to him, stating the grounds and reasons therefor and requesting a hearing thereon. At such hearing the petitioner may appear in person or by attorney may present his aide and may submit evidence, and shall be given full opportunity to be heard.

(3) The hearings provided for in this act may be conducted by the Commissioner, deputy commissioner or any highway official designated by the Commissioner in the name of the Department at a time and place specified by the Commissioner.

Section 9. At any administrative hearing the Commissioner, deputy commissioner or official designated by the Commissioner to hold the hearing may administer oaths, examine witnesses and issue in the name of the Department notices of hearings and subpoenas requiring the attention and testimony of witnesses and production of evidence relevant to any matter involved in the hearing.

Section 10. (1) Any aggrieved person who has petitioned for a hearing may within fifteen (15) days of the mailing of notice of the final decision of the Department following the hearing appeal from any decision, order or ruling to the Franklin Circuit Court. The aggrieved person shall file as part of his petition to the Franklin Circuit Court the record from the Department including all the pleadings and orders.

(2) Except as otherwise expressly provided, the provisions of the Civil Code shall govern procedure involving appeals from any order or ruling of the Department.

Section 11. In addition to any other penalty provided by this act, any person violating any order or provision of this act shall be guilty of a misdemeanor and upon conviction shall be punished by a fine of not less than one hundred dollars ($100.00) and not more than one thousand dollars ($1,000.00). Each day of violation of the provisions of this act shall constitute a separate offense.

HB 227, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 141.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Commissioner" means the Commissioner of Revenue;

(2) "Department" means the Department of Revenue;

(3) "Internal Revenue Code" means the Internal Revenue Code in effect on January 1, 1956;

(4) "Dependent" means those persons defined as dependents under Section 152 of the Internal Revenue Code;

(5) "Fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator or any person acting in any fiduciary capacity for any person, estate or trust;

(6) "Fiscal year" means an accounting period of twelve months ending on the last day of any month other than December;

(7) "Individual" means a natural person;

(8) "Federal income tax" means income tax paid or accrued to

the United States Government on income subject to assessment and taxation under the provisions of this chapter;

(9) "Net income" in the case of taxpayers other than corporations, means "taxable income" as defined in Section 63 (a) of the Internal Revenue Code adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Constitution and statutory laws of the United States;

(b) Exclude dividend income received during the taxable year upon stock of banks and trust companies organized under the laws of this state;

(c) Deduct "Federal income tax;"

(d) Exclude the "net operating loss deduction;"

(e) Include interest income derived from obligations of sister states and political subdivisions thereof;

(f) Include refunds of Federal income tax;

(g) Exclude any deduction for state taxes measured by net income;

(h) Exclude any deductions for amounts allowable under KRS 140.090 (h) in calculating the value of the distributive shares of the estate of a decedent, unless there is filed with the income return a statement that such deduction has not been allowed under KRS 140.090 (h);

(i) Exclude the deduction for personal exemptions allowed under Section 151 of the Internal Revenue Code and any other deductions in lieu thereof;

Provided that partial exclusion of dividends received by individuals which is authorized by Section 116 of the Internal Revenue Code shall not be allowed.

If the taxpayer elects to deduct the standard deduction set forth in KRS 141.081, then, "net income" means adjusted gross income less the standard deduction.

(10) "Net income," in the case of corporations, means "taxable income" as defined in Section 63 (a) of the Internal Revenue Code adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Constitution and statutory laws of the United States;

(b) Exclude dividend income received during the taxable year upon stocks of banks and trust companies organized under the laws of this state;

(c) Include Federal income tax refunds;

(d) Include interest income derived from obligations of sister states and political subdivisions thereof;

(e) Exclude any deduction for state taxes measured by net income;

(f) Exclude the "net operating loss deduction;"

(g) Exclude the special deductions, which relate to dividends and interest, allowable under Section 241 to 247, inclusive, of the Internal Revenue Code;

(h) *Taxable income derived from the disposal of natural resources as defined in Section 631 (c) of the Internal Revenue Code, shall be gross income as defined in U. S. Public Law 87-312, 75 Stat. 674, (Sec. 1) (a) (1) as enacted September 26, 1961, less the deductions allowed by Section 63 (a) of the Internal Revenue Code as modified by subsection (a) through (g) of this section. A taxpayer who computes his taxable income under this subsection shall not be entitled to the allowance for percentage depletion.*

(11) "Taxable net income," in the case of corporations, means "net income" derived from business done, property located, activities or sources in this state less "Federal income tax;"

(12) "Adjusted gross income" means the same as adjusted gross income defined in Section 62 of the Internal Revenue Code, adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Constitution and statutory laws of the United States;

(b) Exclude dividend income received during the taxable year upon stock of banks and trust companies organized under the laws of this state;

(c) Deduct "Federal income tax;"

(d) Exclude the "net operating loss deduction;"

(e) Include interest income derived from obligations of sister states and political subdivisions thereof;

(f) Include refunds of Federal income tax;

Provided that partial exclusion of dividends received by individuals which is authorized by Section 116 of the Internal Revenue Code shall not be allowed in determining "adjusted gross income."

(13) "Person" means and includes an individual, a fiduciary, a partnership, an employer, an employe and a corporation;

(14) "Taxable year" means the calendar year or fiscal year ending during such calendar year, upon the basis of which net income is computed and in the case of a return made for a fractional part of a year under the provisions of this chapter or under regulations pre-

scribed by the commissioner, "taxable year" means the period for which such return is made;

(15) "Net operating loss deduction" means the deduction allowed under Section 172 of the Internal Revenue Code;

(16) "Resident" means any individual domiciled within this state;

(17) "Nonresident" means any individual not a resident of this state;

(18) "Employer" means "employer" as defined in Section 3401 (d) of the Internal Revenue Code;

(19) "Employe" means "employe" as defined in Section 3401 (c) of the Internal Revenue Code;

(20) "Number of withholding exemptions claimed" means the number of withholding exemptions claimed in a withholding exemption certificate in effect under KRS 141.325, except that if no such certificate is in effect, the number of withholding exemptions claimed shall be considered to be zero;

(21) "Wages" means "wages" as defined in Section 3401 (a) of the Internal Revenue Code;

(22) "Payroll period" means a period for which a payment of wages is ordinarily made to the employe by his employer, and the term "miscellaneous payroll period" means a payroll period other than a daily, weekly, biweekly, semimonthly, quarterly, semiannual, or annual payroll period;

(23) For the purpose of determining the maximum limitations of medical and dental expense deductions:

(a) "Head of household" means "head of household" as defined in Section 1 (b) (2) of the Internal Revenue Code;

(b) "Surviving spouse" means "surviving spouse" as defined in Section 2 (b) of the Internal Revenue Code.

(24) "Corporations" includes associations and joint stock companies;

(25) "Gross Income" means "gross income" as defined in Section 61 of the Internal Revenue Code adjusted as follows:

(a) Exclude income that is exempt from state taxation by the Constitution and statutory laws of the United States;

(b) Exclude dividend income received during the taxable year upon stock of banks and trust companies organized under the laws of this state;

(c) Include interest income derived from obligations of sister states or political subdivisions thereof;

(d) Include refunds of Federal income tax.

Partial exclusion of dividends received by individuals which is authorized by Section 116 of the Internal Revenue Code shall not be allowed.

Section 2. Section 141.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) With respect to taxable years beginning after December 31, 1960, an annual tax shall be paid for each taxable year by every resident individual of this state upon his entire net income as defined in this chapter. The tax shall be determined by applying the rates in subsection (2) to net income and subtracting allowable tax credits provided in subsection (3).

(2) The following rates shall be applied to net income:

(a) Two percent of the amount of net income not exceeding three thousand dollars;

(b) Three percent of the amount of net income in excess of three thousand dollars but not in excess of four thousand dollars;

(c) Four percent of the amount of net income in excess of four thousand dollars but not in excess of five thousand dollars;

(d) Five percent of the amount of net income in excess of five thousand dollars but not in excess of eight thousand dollars;

(e) Six percent of the amount of net income in excess of eight thousand dollars.

(3) The following tax credits, when applicable, shall be deducted from the result obtained under subsection (2) to arrive at the annual tax:

(a) Twenty dollars for an unmarried individual;

(b) Twenty dollars for a married individual filing a separate return and an additional twenty dollars for the spouse of taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer; or forty dollars for married persons filing a joint return, provided neither spouse is the dependent of another taxpayer. The determination of marital status for the purpose of this section shall be made in the manner prescribed in Section 153 of the Internal Revenue Code;

(c) Twenty dollars credit for each dependent whose gross income for the calendar year in which the taxable year of the taxpayer begins is less than six hundred dollars, or who is a child, as defined in Section 151 (e) (3) of the Internal Revenue Code, of the taxpayer and who 1. has not attained the age of 19 at the close of the calendar year in which the taxable year of the taxpayer begins, or 2. is a student. No exemption shall be allowed for any dependent who has made a joint return with his spouse;

(d) An additional twenty dollars credit if the taxpayer has attained the age of sixty-five before the close of the taxable year;

(e) An additional twenty dollars credit for taxpayer's spouse if a separate return is made by the taxpayer and if the taxpayer's spouse has attained the age of sixty-five before the close of the taxable year, and, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer;

(f) An additional twenty dollars credit if the taxpayer is blind at the close of the taxable year;

(g) An additional twenty dollars credit for taxpayer's spouse if a separate return is made by the taxpayer and if the taxpayer's spouse is blind, and, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer;

(h) In the case of nonresidents, the tax credits allowable under this subsection shall be that proportion of those permitted therein that is represented by the ratio of the taxpayer's net income in this state to his total net income from all sources; or, if the taxpayer elects to pay the tax under KRS 141.025, as represented by the ratio of the taxpayer's adjusted gross income in this state to his total adjusted gross income;

(i) In the case of a fiduciary, other than an estate, the allowable tax credit shall be two dollars;

(j) In the case of an estate, the allowable tax credit shall be twenty dollars.

(4) An annual tax shall be paid for each taxable year as specified in this section upon the entire net income, except as herein provided, from all tangible property located in this state, from all intangible property that has acquired a business situs in this state, and from business, trade, profession, occupation or other activities carried on in this state, by natural persons not residents of this state. A non-resident individual shall be taxable only upon the amount of income received by him from labor performed, business done or from other activities in this state, from tangible property located in this state, and from intangible property that has acquired a business situs within this state. The remainder of the income received by him shall be deemed nontaxable by this state.

(5) Subject to the provisions of KRS 141.081 and KRS 141.082, any individual may elect to pay the annual tax imposed by KRS 141.025 in lieu of the tax levied under this section.

(6) *An individual who establishes residence in this state during the taxable year is subject to taxation as prescribed in this chapter on all income earned or received from sources within this state during such taxable year.*

Section 3. Section 141.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Taxable net income" of corporations shall be determined as provided in the following subsections of this section.

(2) The taxpayer shall show on its return the amount of net income for the taxable year.

(3) There shall be deducted from the net income for the taxable year the net amounts of income received from the ownership, holding, use, or sale of property not held, owned or used in the ordinary and regular course of the corporation's business. These amounts shall be allocated within and without Kentucky, as follows:

(a) If the property giving rise to such income, or portion thereof, is tangible property having a situs in Kentucky, the income therefrom shall be allocated to Kentucky;

(b) If the corporation's commercial domicile is maintained in Kentucky and the property giving rise to such income, or portion thereof, is intangible property, all of the income therefrom shall be allocated to Kentucky, except the income from intangible property having a business situs outside of Kentucky;

(c) If the corporation's commercial domicile is maintained outside of Kentucky, any income resulting from intangible property having a business situs in Kentucky shall be allocated to Kentucky.

(4) The remainder of the net income shall be known as net business income and shall be allocated and apportioned as hereinafter provided. If the trade or business is carried on entirely within this state, the entire net business income shall be allocated to Kentucky. If the trade or business is carried on partly within and partly without this state, [separate accounting shall be deemed impracticable and prohibited unless the department determines that the actual amount of net business income attributable to Kentucky is determinable by separate accounting:] the net business income allocable to Kentucky shall be determined as follows:

(a) Where income is derived from business other than the manufacture and sale of tangible personal property or the conduct of a public utility, the income shall be specifically allocated or equitable apportioned within and without this state under rules and regulations of the department;

(b) Where income is derived from the manufacture or sale of tangible personal property, the portion thereof attributable to business within this state shall be taken to be such percentage of the total of such income as the value of the tangible property, the payroll and business within this state bears to the value of the total tangible property, total payroll, and total business, the percentage of tangible property of payroll, and of business, being separately determined as hereinafter provided, and the three percentages averaged;

(c) "Total payroll," as used in this section, includes the expenditures of the corporation for wages, salaries, commissions, or other compensation to its employees, *excluding compensation paid to duly authorized principal officers of the corporation,* and all the payroll shall be assigned to this Commonwealth which is paid to employees chiefly situated at, connected with, or sent out from premises in this Commonwealth that are used by the corporation in connection with the transacting of business;

(d) The value of the tangible property shall be taken to be the averaged value of the tangible property owned *or leased* by the corporation in connection with such business during the year for which the income is returned, excluding any property the income of which is not taxable or is separately allocable under the provisions of this chapter. *The value of leased property shall be determined to be the fair market value of the property or the annual rental value multiplied eight times, whichever is greater;*

(e) The business of the corporation shall be measured by the amount of all receipts during the year from sales and other sources connected with the business, excluding receipts separately allocated as above provided. Accounts receivable from sales and other sources arising from business during the year shall be included in the formula if the corporation's return is made on the accrual basis;

(f) *Receipts from sales and other sources shall be assigned to this Commonwealth if the transactions giving rise to the receipts are chiefly negotiated at an office, agency or place of business of the corporation located in this state, or if the receipts are derived from the sale of property delivered into this state, the place of negotiation of the sale notwithstanding. In no case, however, shall the receipts from a sale be allocated to this state more than once.*

[(f) Receipts from sales and other sources shall be assigned only to the office, agency or place of busines of the corporation at which the transactions giving rise to the receipts are chiefly negotiated.]

Section 4. Section 141.205 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department *may* [shall permit or] require any parent corporation or subsidiary corporation doing business within this state to file a consolidated return covering the entire operations of the parent corporation and its subsidiaries, whenever it finds that the inter-corporate transactions of the related group tend to reduce the net income of the corporation, or corporations, doing business within this state below the amount that would probably result if such corporation, or corporations, was not a member of the related group.

(2) The department is authorized and empowered, in such manner as it may determine, to assess the tax against any of the corporations whose net income is involved in the consolidated return upon the basis of the combined net income and such other information as it may possess, or it may adjust the tax in such other manner as it shall determine necessary to prevent avoidance of taxes or to clearly reflect the net income earned by such corporation or corporations from property located and business done within this state.

(3) Any corporation owning or controlling either directly or indirectly eighty percent or more of the voting stock of another corporation shall be deemed a parent corporation for purposes of this section. Any corporation having a parent corporation shall be deemed a subsidiary corporation for purposes of this section. Corporations having a common parent shall be considered members of a related group.

(4) If the consolidated return required under this section is not filed within sixty days after demand by the department, said parent corporation or subsidiary corporation or both, shall be subject to the penalty provided in this chapter for failure to file returns.

(5) In the case of a corporation doing business in this state and not [permitted or] required to file a consolidated return under subsection (1) of this section that carries on transactions with stockholders *or affiliated corporations*, directly or indirectly, the department shall adjust the net income of such corporation to an amount that would result if such transactions were carried on at arm's length.

(6) In the case of a corporation which is not [permitted or] required to file a consolidated return under subsection (1) of this section and which participates in the filing of a consolidated return under Section 1501 of the Internal Revenue Code, deduction for federal income tax shall be determined in the same manner as if the corporation had filed a separate return under the Internal Revenue Code and paid the tax accordingly.

Section 5. Section 141.235 of the Kentucky Revised Statutes is amended to read as follows:

(1) No suit shall be maintained in any court to restrain or delay the collection or payment of the tax levied by this chapter.

(2) Any tax collected after January 1, 1954, pursuant to the provisions of KRS Chapter 141, may be refunded in the manner provided in KRS 134.580, provided that the claim for refund is made within three years *of the due date of the return or date the tax was paid, whichever is the later.*

[(2) Any tax collected after January 1, 1954, pursuant to the provisions of KRS Chapter 141, may be refunded in the manner provided in KRS 134.580, provided that claim of refund is made within three years from the date the money is paid into the State Treasury.]

(3) Overpayment of taxes collected pursuant to KRS 141.310 and KRS 141.315 shall be refunded with interest at six percent per annum. This interest shall not begin to accrue until ninety days after the overpayment is made, the return is filed, or the due date of the return, whichever is later.

(4) Exclusive authority to refund overpayment of tax collected pursuant to this chapter is vested in the commissioner or his authorized agent. Amounts directed to be refunded shall be paid out of the General Fund.

Section 6. Section 141.330 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every employer required to deduct and withhold tax under KRS 141.310 and KRS 141.315 shall, for the quarterly period beginning July 1, 1954, and for each quarterly period thereafter, on or before the last day of the month following the close of each quarterly period make *a* return and [pay over] *report* to the department the tax required to be withheld under KRS 141.310 and KRS 141.315. *Such employer shall, on or before the last day of the month following the close of each quarterly period, pay over to the department the tax required to be withheld under KRS 141.310 and KRS 141.315; provided, however, that the department may, by regulations, require employers to remit the tax withheld under KRS 141.310 and KRS 141.315 within a reasonable time after the payroll period or other period.* A return shall be filed by every employer making payment of wages for each quarter in which wages were paid even though no tax has been withheld.

(2) If the department, in any case, has reason to believe that the collection of the tax provided for in subsection (1) of this section is in jeopardy, it may require the employer to make such return and pay such tax at any time.

(3) Every employer, who fails to withhold or pay to the department any sums required by this chapter to be withheld and paid, shall be personally and individually liable therefor to the Commonwealth; and any sum or sums withheld in accordance with the provisions of KRS 141.310 and KRS 141.315 shall be deemed to be held in trust for the Commonwealth.

(4) Actions for the recovery from an employer of sums required to be withheld in accordance with KRS 141.310 and KRS 141.315 shall be governed by the provisions of KRS Chapter 135. Any such action shall be brought within three years after the due date of the return required by subsection (1) of this section.

(5) The Commonwealth shall have a lien upon all the property of any employer who fails to withhold or pay over to the department sums required to be withheld under KRS 141.310 and KRS 141.315. If the employer withholds but fails to pay the amounts withheld to the department, the lien shall accrue as of the date the amounts withheld were required to be paid to the department. If the employer fails to withhold, the lien shall accrue at the time the liability of the employer becomes fixed.

Section 7. Section 141.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) If any taxpayer fails or refuses to file a return or furnish any information requested in writing by the department, the department may make an estimate of the net income or adjusted net income from any information in its possession, assess the tax at not more than twice the amount estimated to be due and add a penalty of twenty-five percent of the amount of any deficiency tax assessed concerning such failure or refusal to file a return or furnish any information. This penalty shall be in addition to all other applicable penalties in this section.

(2) If any taxpayer fails to make and file a return required by this chapter on or before the due date of the return or the due date as extended by the department, then, unless it is shown to the satisfaction of the department that the failure is due to reasonable cause, five percent of the tax found to be due by the department shall be added to the tax for each thirty days or fraction thereof elapsing between the due date of the return and the date on which filed, but the total penalty shall not exceed twenty-five percent of the tax.

(3) If any part of any deficiency is due to negligence, or intentional disregard of rules and regulations but without intent to defraud, five percent of the total amount of the deficiency, in addition to the deficiency and other penalties provided in this section, shall apply.

(4) If any part of any deficiency is due to fraud with intent to evade tax fifty percent of the total amount of the deficiency, in addition to the deficiency and other penalties provided in this section, shall apply.

(5) If the tax imposed by this chapter, whether assessed by the department, or the taxpayer, or any installment or portion of the tax

is not paid on or before the date prescribed for its payment, there shall be collected, as a part of the tax, interest upon the unpaid amount at the rate of six percent per annum from the date prescribed for its payment until payment is actually made to the department. If any assessment made by the department is not paid within the time prescribed, or protested in accordance with KRS 131.110, the taxpayer shall pay as a penalty, in addition to the amount of the tax and other applicable penalties, one percent of the tax for each month the tax remains unpaid.

(6) Any person required under the provisions of KRS 141.150 or 141.335 to furnish a statement required under that section who wilfully furnishes a false or fraudulent statement, or who wilfully fails to furnish a statement in the manner at the time and showing the information required under KRS 141.150 and 141.335, shall for each such failure be subject to a civil penalty of ten dollars. Such penalty shall be assessed and collected by the department, and the assessment of such penalty may be reviewed only in the manner provided in KRS 131.110.

(7) (a) Any employer required under the provisions of KRS 141.310, [or] 141.315, *or 141.330* to withhold taxes or wages and make quarterly returns and payment of amounts withheld to the department, who fails to withhold such taxes, or to make such returns, or who fails to remit amounts collected to the department, shall be subject to a civil penalty equal to twenty-five percent of the amount of taxes that should have been properly withheld and paid over to the department, or ten dollars, whichever is greater, for each such failure. Such penalty shall be assessed and collected by the department and the assessment of such penalty may be reviewed only in the manner provided in KRS 131.110.

(b) Any employer required to file a return under the provisions of KRS 141.330 (1) when no tax should have been properly withheld, and who fails to file the same, shall be subject to a civil penalty of ten dollars for each violation. Such penalty shall be assessed and collected by the department and the assessment of such penalty may be reviewed only in the manner provided in KRS 131.110.

(8) (a) In the case of a failure to make and file a declaration of estimated tax within the time prescribed, unless such failure is shown to the satisfaction of the department to be due to reasonable cause and not to wilful neglect, there shall be added to the tax six percent of each installment due. For the purposes of this subsection, the amount and due date of each installment shall be the same as if a declaration had been filed within the time prescribed showing an estimated tax equal to the correct tax reduced by the credit allowed by KRS 141.350.

(b) Where a declaration of estimated tax has been made and filed within the time prescribed, or where a declaration of estimated tax has been made and filed after the time prescribed and the department has found that failure to make and file such declaration within the time prescribed was due to reasonable cause and not wilful neglect, in the case of failure to pay an installment of the estimated tax within the time prescribed, unless such failure is shown to the satisfaction of the department to be due to reasonable cause and not to wilful neglect, there shall be added to the tax six percent of the unpaid amount of such installment.

(9) If eighty percent of the tax, determined without regard to the credit under KRS 141.350, in the case of individuals other than farmers exercising an election under subsection (5) of KRS 141.305, or sixty-six and two-thirds percent of such tax so determined in the case of such farmers, exceeds the estimated tax, increased by such credit, there shall be added to the tax an amount equal to such excess, or equal to six percent of the amount by which such tax so determined exceeds the estimated tax so increased, whichever is the lesser. This subsection shall not apply to the taxable year in which falls the death of the taxpayer, nor shall it apply to the taxable year in which the taxpayer makes a timely payment on April 15, July 15 and November 15, of such year, or in the case of farmers exercising an election under subsection (5) of KRS 141.305 within the last quarter, and making payment in an amount at least as great as though computed on the basis of the facts shown on his return for the preceding taxable year.

(10) Any penalty imposed by subsections (1), (2), (3), (4), (5), (6), (7), (8) or (9) of this section shall be assessed, collected, and paid in the same manner as if it were a deficiency.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

Notwithstanding the provisions of KRS 141.010 (10) (f), for all taxable years beginning on or after January 1, 1962, the department may provide by rules and regulations, that any corporation engaging in business for the first time in this state and employing within this state a minimum investment of $100,000, which incurs a net operating loss during its first year of operations, may carry the loss forward to the next succeeding taxable year and deduct it from the net income for that year as determined under the provisions of this chapter.

Section 9. A new section of the Kentucky Revised Statutes is created to read as follows:

Receipts derived from taxes assessed and collected under the provisions of KRS Chapter 141 shall be appropriated for General Fund purposes.

HB 229, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 136.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) *With respect to taxable years beginning after December 31, 1961,* every corporation owning property or doing business in this state, except banks and trust companies, foreign insurance companies, domestic life insurance companies, foreign and domestic building and loan associations, and corporations that, under existing laws, are liable to pay a franchise tax, shall pay to the state an annual license tax based upon the value of its capital stock, *as provided by Section 4 hereof* [in this section].

(2) Every corporation not exempted by subsection (1) of this section shall pay an annual license tax of seventy cents on each one thousand dollars of that part of the value of its capital stock represented by property owned and business transacted in this state, which shall be ascertained by finding the proportion that the property owned and business transacted in this state bears to the aggregate amount of property owned and business transacted in and out of this state, *which factors shall be determined as hereinafter set forth, and such tax shall be computed by the taxpayer.* [The corporation may pay at this rate upon the entire value of its capital stock, and in that event it shall not be required to report as provided in subsection (2) of KRS 136.090. Its failure so to report shall be conclusive evidence that the corporation elects to pay upon the entire value of its capital stock, and it shall do so, and the Department of Revenue shall fix its taxable value.]

(3) No corporation required to pay an annual license tax under this section shall pay a less sum therefor than ten dollars.

Section 2. Section 136.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) [In order to ascertain the amount of taxes due and payable by] Corporations liable to taxation under KRS 136.070 [, every such corporation] shall file with the Department of Revenue each year, on forms prepared by the department, a written report, verified by the affidavit of the president or secretary of the corporation. This report shall give the name of the corporation; the name of the state or government under the laws of which it is incorporated; the date of incorporation; the place of its principal office in and out of this state; the name and address of its president and secretary; the name and address of its authorized agent or attorney upon whom process may be executed in this state; the name and address of the officer or agent in charge of its business in this state; and the nature and kind of business in which it is engaged.

(2) The report shall also give the total value of all of the property owned and used by the corporation; the value [and location] of the property owned and used by it in this state;, the aggregate amount of business transacted by it during the preceding calendar year or fiscal year; the amount of such business transacted in this state; and such other facts [bearing on proper taxation] as the department requires.

Section 3. Section 136.100 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the corporation operates on a calendar year basis, the reports required under KRS 136.090 shall be filed on or before April 15 in each year. If the corporation operates on a fiscal year basis, the reports shall be filed on or before the fifteenth day of the fourth month following the close of each fiscal year. The reports shall cover operations for the preceding calendar or fiscal year, as the case may be. Domestic corporations hereafter incorporated, and foreign corporations hereafter becoming the owners of property or transacting business in this state, shall make their reports to the Department of Revenue on or before the first filing date succeeding their incorporation or succeeding their becoming the owners of property or transacting business in this state, and shall in all respects be subject to the provisions of KRS 136.070 to 136.110 the same as corporations already in existence.

(2) A corporation may change its reporting period from a calendar year to a fiscal year, or from a fiscal year to a calendar year, by securing written permission from the department. If a corporation so changes its basis of reporting, the first report filed on the new filing date shall cover operations for the period between the close of the old accounting period and the close of the new accounting period. The assessment of value shall be computed in the same manner as on any other return, but the tax due shall be computed on that proportionate part of the assessment that the period between the close of the old accounting period and the new accounting period bears to the entire twelve-month period.

(3) *In any case where two or more corporations merge, consolidate, or otherwise combine into a single corporation after the close of the taxable year, but before the beginning of the succeeding taxable year, all factors used to determine the corporation license tax assessment shall be computed on the basis of the consolidated accounting records of such corporations.*

Section 4. Section 136.110 of the Kentucky Revised Statutes is repealed in its entirety.

[(1) The Department of Revenue, from the reports and from any additional information it may secure, shall ascertain and fix the fair value of that part of the capital stock of the corporations upon which the license tax imposed by KRS 136.070 shall be based. The department in arriving at the value of the capital stock of such corporations may consider the market value, book value, earnings or any other recognized criteria, or combination of criteria, of value. It may in any case require any additional information it deems necessary to enable it to perform its duties. The department shall notify each corporation of the amount so assessed, by mail.

(2) The corporation shall have thirty days from the date of notice of assessment in which to pay the tax to the department, by check or money order payable to the State Treasurer, or to protest the assessment to the department. After the protest has been acted upon by the department, the corporation protesting shall have fifteen days in which to pay the tax found to be due or to appeal as provided in KRS 131.110 and 131.120. If any corporation fails to file a report required by KRS 136.090, the department may make a jeopardy assessment as provided in KRS 131.150.]

Section 5. A new section of the Kentucky Revised Statutes is hereby created to read as follows:

(1) *If the capital stock of a corporation is listed with recognized exchanges and sold in such quantities, and under such conditions, as to permit determination of a monthly value, the monthly high and low sales prices of the stock during the taxable year are to be averaged to obtain a yearly average which shall be applied to the total number of shares outstanding. The resulting figure will constitute the value of the capital stock of such corporation.*

(2) *If the market value of the capital stock cannot be determined pursuant to subsection (1), the annual income over a period of five years, if possible, or if not, the years available, shall be weighted and averaged, giving greater weight to the more recent years. The resulting average income shall be capitalized at ten per cent and the result averaged with the net worth of the company. Net worth shall include long-term indebtedness, advances by affiliated companies, inter-company accounts, capital stock, surplus, or any other items representing additional capital used and employed in the business. The figure obtained therefrom will constitute the value of the capital stock of such corporation. Provided, however, that the value as determined herein shall not be less than the net worth of the company reduced by a percentage determined as follows:*

(a) *when the book value of fixed assets is less than ten per cent of total assets, the percentage reduction shall be five per cent;*

(b) *when the book value of fixed assets is at least ten per cent but less than thirty per cent of total assets the percentage reduction shall be ten per cent;*

(c) *when the book value of fixed assets is at least thirty per cent but less than fifty per cent of total assets, the percentage reduction shall be fifteen per cent;*

(d) *when the book value of fixed assets is fifty per cent or more of total assets, the percentage reduction shall be twenty per cent.*

(3) *In the event that the method for determining the value of capital stock prescribed herein, as applied in the particular case, reaches an unconstitutional result, or the department determines that said method, as applied in a particular case, results in a value which does not substantially reflect the fair value of the stock, the department shall prescribe a method to obtain a more accurate valuation.*

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) *The property factor referred to in KRS 136.070 shall be determined as follows:*

(a) *The value of the total property shall be taken to be the total book value of property owned by the corporation at the end of the year for which such return is being prepared;*

(b) *The value of Kentucky property shall be taken to be the book value of property sitused in Kentucky at the end of the year for which the return is being prepared. Property shall be determined to be sitused in Kentucky if, (1) it is tangible property physically located in this state, or (2) it is intangible property and the commercial domicile of the corporation is in this state, or the intangible property has acquired a business situs in this state.*

(2) *The "business transacted in this state" referred to in Section 1 of this act shall be taken to be such percentage as value of the payroll and business within this state bears to the total value of the payroll and business of the corporation for the year for which the return is filed, to be determined as follows:*

(a) *"Total payroll," as used in this section, includes the expenditures of the corporation for wages, salaries, commissions, or other compensation to its employees excluding officers' salaries, and all the payroll shall be assigned to this Commonwealth which is paid to employees chiefly situated at, connected with, or sent out from premises in this Commonwealth that are used by the corporation in connection with the transacting of business;*

(b) *The business of the corporation shall be measured by the amount of all receipts during the year from sales and other sources connected with the business. Accounts receivable from sales and other sources arising from business transacted during the year shall be included in the formula if the corporation's return is prepared on the accrual basis. Receipts and sales from other sources shall be assigned* *to this Commonwealth if the transactions giving rise to the receipts are chiefly negotiated at an office, agency or place of business of the corporation located in this state, or if the receipts are derived from the sale of property delivered into this state, the place of negotiation of the sale notwithstanding. In no case, however, shall the receipts from a sale be allocated to this state more than once.*

(3) *In the event that the department determines that the method used to arrive at the "business transacted in this state," prescribed herein, as applied in a particular case, fails to reach a fair and reasonable result, the department may prescribe a method which allocated to Kentucky a fair and reasonable portion of the "business transacted in this state."*

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) *As soon as practicable after each return is received, the department shall examine and audit it. If the amount of tax computed by the department is greater than the amount returned by the taxpayer, the excess shall be assessed by the department within four years from the date the return was filed, except as provided in subsection (2) of this section, and except that in the case of a failure to file a return, or of a fraudulent return, the excess may be assessed at any time. A notice of such assessment shall be mailed to the taxpayer. The time herein provided may be extended by agreement between the taxpayer and the department.*

(2) *For the purpose of subsection (1) of this section, a return filed before the last day prescribed by law for the filing thereof shall be considered as filed on such last day.*

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) *Receipts derived from taxes assessed and collected under the provisions of KRS 136.070 shall be appropriated for General Fund purposes.*

Section 9. Section 136.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any county clerk who fails to comply with the provisions of subsection (2) of KRS 136.020 shall be fined not less than ten dollars nor more than twenty-five dollars.

(2) Any corporation that fails to pay its taxes, penalty and interest as provided in subsection (2) of KRS 136.050, after becoming delinquent, shall be fined fifty dollars for each day the same remains unpaid, to be recovered by indictment or civil action, of which the Franklin Circuit Court shall have jurisdiction.

(3) Any public service corporation, or officer thereof, that willfully fails or refuses to make reports as required by KRS 136.130 and 136.140 shall be fined one thousand dollars, and fifty dollars for each day the reports are not made after March 31 of each year.

(4) Any superintendent of schools or county clerk who fails to report as required by KRS 136.190, or who makes a false report, shall be fined not less than fifty dollars nor more than one hundred dollars for each offense.

(5) Any railroad corporation that fails to furnish reports as required by KRS 136.220 shall be fined not less than five hundred dollars nor more than ten thousand dollars.

(6) Any officer of a railroad corporation who knowingly makes false statements relative to the reports required by KRS 136.220 shall be confined in the penitentiary for not less than one nor more than five years.

(7) Any person who violates any of the provisions of subsection (2) of KRS 136.250 shall be fined not more than one thousand dollars. If the offender is an individual, he may in addition be confined in the county jail for not more than six months, or both so fined and imprisoned. If the offender is a corporation, the principal officer or the officer responsible for the violation, or both such officers, may be punished by such imprisonment. The fine shall be in addition to the penalties provided by subsection (3) of KRS 136.250.

(8) Any company or association that fails or refuses to return the statement or pay the taxes required by KRS 136.330 or 136.340 shall be fined one thousand dollars for each offense.

(9) Any insurance company that fails or refuses for thirty days to return the statement required by KRS 136.330 or 136.340, under the oath of some principal officer or general agent or manager of this state, and to pay the tax required by KRS 136.330 or 136.340, shall forfeit one hundred dollars for each offense. The Director of the Division of Insurance shall revoke the authority of the company or its agents to do business in this state, and shall publish the revocation in some newspaper of this state.

(10) (Subsection (10) repealed, 1958, c. 126, § 12; effective June 19, 1958)

(11) Any person who violates subsection (3) of KRS 136.390 shall be fined not less than one hundred dollars nor more than five hundred dollars for each offense.

(12) Where no other penalty is mentioned for failing to do an act required, or for doing an act forbidden, by this chapter, the penalty shall be not less than ten dollars nor more than five hundred dollars.

(13) The Franklin Circuit Court shall have jurisdiction of all prosecutions under subsection (8), (9), (10) and (11) of this section.

(14) *If any taxpayer fails to make or file a return as required by Section 2 of this act on or before the due date of the return, then, unless it is shown to the satisfaction of the department that the failure is due to reasonable cause, five per cent of the tax found to be due by the department shall be added to the tax for each thirty days or fraction thereof elapsing between the due date of the return and the date on which it was filed, but the total penalty shall not exceed twenty-five percent of the tax provided, however, that in no case shall a penalty be less than ten dollars.*

(15) *If the tax imposed by Section 1 of this act, whether assessed by the department, or the taxpayer, or any installment or portion of the tax is not paid on or before the date prescribed for its payment, it shall be collected as a part of the tax, interest upon the nonpaid amount at the rate of six per cent per annum from the date prescribed for its payment until payment is actually made to the department. If the assessment made by the department is not paid within the time prescribed, or protested in accordance with KRS 131.110, the taxpayer shall pay as a penalty, in addition to the amount of tax and other applicable penalties, one per cent of the tax for each month that the tax remains nonpaid.*

SB 256, AN ACT relating to city finances in cities of the second class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subject to the provisions of KRS 165.080 to 165.140, the legislative body of a city of the second class having a municipal college, either junior or senior, may issue bonds for the benefit of such college.

HB 272, AN ACT relating to prize fighting and wrestling.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Every person licensed by the department, other than those holding a permit under subsection (1) of KRS 229.080 who sells tickets for the viewing of a prize fight or wrestling match on closed circuit television shall, within twenty-four hours after the termination of every such match or exhibition, furnish to the department a written report, verified by the person, if an individual, or by some officer, if a corporation or association, showing the number of tickets sold for the match or exhibition, the amount of the gross receipts and such other matters as the department prescribes. He shall also, within the same period, pay to the department a tax of five percent of the gross receipts from the sale of all tickets to such showing.

Section 2. Every person licensed by the department who receives payment from a broadcasting company for the right to televise or broadcast in any manner a boxing or a wrestling match, shall, within twenty-four hours after the termination of such match, pay to the department a tax of five percent of the amount of payment received. Any payment so described shall constitute gross receipts and be subject to the five percent tax.

SB 276, AN ACT relating to Public Higher Education, and making an appropriation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The Council on Public Higher Education shall have authority to provide for a program of occupational qualification development in the Commonwealth. The program may be provided for by contract with any recognized and accredited municipal junior colllege located within the Commonwealth. Such contract shall provide that the college shall admit to its course of instruction, up to such percentage of its full teaching capacity as may be fixed by contract, residents of the Commonwealth who make application to pursue the course of study of such college; provided however that such persons shall be certified to the Council as to status of residency by the State Superintendent of Public Instruction and shall be eligible for admission to said junior college. The Council on Public Higher Education shall pay to the college not more than $100.00 per school year for each such student enrolled. Such payments shall be additional to the annual tuition fees paid by each such student. The Council shall have authority to provide by contract that it pay the expense of specific research projects or programs conducted by the college. The Council shall make an annual report of its occupational qualification development program after June 30 of each year, including an accounting of all moneys received and disbursed. The council shall have no authority to incur any obligation in excess of the sums that have been appropriated to it.

Section 2. To carry out the purposes of the Act there is appropriated to the Council on Higher Education out of the General Expenditure Fund in the state treasury the sum of $45,000 for the 1962-63 fiscal year and the sum of $45,000 for the 1963-64 fiscal year.

HB 273, AN ACT relating to public officials required to give bond.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Clerks, sheriffs and jailers who are required under Section 106 of the Constitution to pay the fees collected by them into the State Treasury are relieved from all liability as insurers of funds that come into their hands or subject to their control after the funds are deposited in good faith in a depository or depositories in the county approved by the fiscal court, and the obligors in the bonds shall not be responsible for loss of, or delay in payment of such funds by reason of the failure or suspension of such depository.

Section 2. KRS 64.360, 64.370 and 64.380 are hereby repealed.

HB 296, AN ACT relating to military affairs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 36.010 of the Kentucky Revised Statutes is amended to read as follows:

The Department of Military Affairs shall have charge of and be responsible to the Governor for the proper functioning of the *Kentucky National Guard,* militia, and all other military or naval matters of the state, and shall consist of the following divisions:

(1) *Administrative Divisions;*
(2) [(1)] Veterans Division;
(3) [(2)] *Facilities* [Armories] Division;
(4) [(3)] Active Militia Division;
(5) [(4)] *Army* National Guard Division;
(6) Air National Guard Division;
(7) [(5)] Civil Defense Division.

In order to promote greater efficiency, economy and improved administration, the divisional structure of the Department of Military Affairs may be changed, redesignated, or reorganized in accordance with Chapter 12, Kentucky Revised Statutes.

Section 2. Section 36.020 of the Kentucky Revised Statutes is amended to read as follows:

The Governor, immediately on his induction into office, shall appoint the Adjutant General, who shall be not less than thirty years of age and who shall have served honorably, or be serving, as a commissioned officer of the armed forces of the United States. The Governor shall issue a commission to The Adjutant General in the grade of *Major General.* [commensurate with the duties and responsibilities of the office.] *The commission* [if the commission is only temporary, it] shall automatically be vacated when the Adjutant General is relieved from duty or at the expiration of the term of the Governor appointing him. The Adjutant General shall execute bond in the sum of ten thousand dollars.

Section 3. Section 36.030 of the Kentucky Revised Statutes is amended to read as follows:

The office of the Adjutant General [Deputy Adjutant General] or Assistant Adjutant General shall not *necessarily* be incompatible with or serve to vacate the commission in the Kentucky National Guard held by the officer appointed as the Adjutant General [Deputy Adjutant General] or Assistant Adjutant General at the time of his appointment, nor shall it be incompatible with any office *of the National Guard* to which he might be promoted or appointed, nor interfere with or prevent his attending to the duties of the office held at the time or to which he may be thereafter promoted or appointed.

Section 4. Section 36.040 of the Kentucky Revised Statutes is amended to read as follows:

The Adjutant General shall:

(1) Represent the Governor in all military matters pertaining to the Commonwealth of Kentucky;

(2) Be the executive head of the Department of Military Affairs and exercise all functions vested by law in the department;

(3) Be responsible to the Governor for the proper carrying into effect of all laws, rules and regulations of the United States and of this state affecting the militia and other military organizations established by law;

(4) Perform the duties prescribed for him by laws of the United States and regulations issued thereunder;

(5) Direct and supervise the chiefs of staff departments and supervise all troops and all departments, arms and branches of the Kentucky *Army and Air* National Guard;

(6) [Superintend] *Supervise* the preparation of all returns and reports [required by the United States from the state] *of the Department of Military Affairs;*

(7) Keep a register of all the officers of the Kentucky National Guard, and make a written report to the Governor for the annual period ending on June 30 of each year of the operations and conditions of the *Department of Military Affairs;* [Adjutant General's office, the State Arsenal and the National Guard;]

(8) Establish and supervise the operations of the Division of Civil Defense;

(9) Cause to be prepared and issued all necessary blank books, forms and notices required to carry into full effect the provisions of KRS Chapters 36, 37, and 38;

(10) *Direct and supervise* [attend to] the safekeeping and repairing of the ordnance, arms, accouterments, equipment and all other military property belonging to the state or issued to it by the United States;

(11) Notify the *Department of Finance* [Division of Purchases and Public Properties] of all military property of the state which after inspection is found unsuitable for use of the *department* [state];

(12) Keep an account of:

(a) All expenses, including pay of officers and enlisted men, allowance to officers and organizations;

(b) Any other moneys required to be disbursed by him and through his office, including subsistence and transportation of the National Guard;

(c) All military property of the United States.

(13) Issue and make requisitions for military property under the direction of the Governor, but no military property shall be issued to persons or organizations other than those belonging to the National Guard, except to such portion of the Kentucky Active Militia as is called out by the Governor;

(14) [Establish and] *M*aintain as a part of his office a bureau of war records in which all records pertaining to wars and relics shall be kept, and be custodian of all such records, relics, colors, standards and battle flags now the property of the state, or in its possession, or which the state may hereafter acquire;

(15) Organize units of the National Guard at places designated by the Governor and have the members thereof mustered into service under regulations prescribed by the Governor;

(16) Issue all *regulations*, orders and directives for the proper functioning and utilization of the Kentucky National Guard.

Section 5. Section 36.070 of the Kentucky Revised Statutes is amended to read as follows:

The *Facilities Division* [Armories] shall be headed by a director experienced in the administration of real property. The Division may make contracts, acquire real and personal property by gift, purchase, or by condemnation in the manner prescribed in KRS 416.120, and may do all things necessary to perform its duties under KRS 36.070 to *36.090* [36.110].

Section 6. Section 36.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) The *Facilities* [Armories] Division shall provide adequate Armories, buildings and grounds for the Kentucky *Army and Air* National Guard for its purposes of drill, instruction and administration and for the safekeeping of public property of the state and the United States issued to or for the use of the Kentucky National Guard.

(2) The *Facilities* [Armories] Division may, either alone or in cooperation with *the United States Government,* counties, cities, private corporations, voluntary unincorporated associations or individuals, construct, or acquire by purchase, contract, lease, gift, donations, or by condemnation in the manner prescribed in KRS 416.120, armories, buildings or grounds suitable for drill, instruction and administration and the safekeeping of public property, and make additions and improvements in or to such armories and facilities. The division may, either alone or with the like cooperation of others, provide heat, light, water, telephone service and other costs of operation and maintenance, including insurance.

(3) The amounts to be spent for the construction, acquisition, maintenance and rental of armories shall be wholly within the discretion of the Adjutant General.

Section 7. Section 36.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) The fiscal court of any county and the governing body of any city wherein a unit of the Kentucky National Guard is established may, either severally or acting jointly with each other or with the *Facilities* [Armories] Division, construct, or acquire by purchase, contract, lease, gift, donation, or by condemnation in the manner prescribed in KRS 416.120 grounds, [and] buildings, *and facilities* suitable for *National Guard and community purposes.* [public assemblages, conventions, exhibitions and entertainments.] The buildings or the plans and specifications therefor must first be approved by the *Facilities* [Armories] Division as suitable for use as armories by the National Guard units in the county or city, and the fiscal court or governing body of the city must have first contracted with the *Facilities* [Armories] Division for the use of the building as an armory by the National Guard units upon terms consistent with KRS 36.070 to *KRS 36.090.* [36.100]

(2) For the purpose of providing necessary funds for the acquisition or construction of the buildings and grounds, and the cost of maintenance and operation thereof, the fiscal court or governing body of the city may annually levy and collect a tax not exceeding ten cents on each one hundred dollars worth of taxable property in the county or city, as determined by the last regular assessment for county or city taxes. If funds received from donations or from earnings from the building, together with rentals

received from the *Facilities* [Armories] Division, are adequate to provide for all expenses of operation and maintenance, the tax levies may be withheld and appropriated to the general expense fund of the county or city. If any county has, under pre-existing law, acquired or constructed buildings and grounds suitable for public assemblages, conventions, exhibitions, and entertainments, and also for armory purposes, and shall contract with the *Facilities* [Armories] Division for the use thereof by National Guard units upon terms consistent with KRS 36.070 to *KRS 36.090,* [KRS 36.100,] the fiscal court of the county may levy and collect necessary taxes, not exceeding ten cents on each one hundred dollars worth of taxable property, for the payment of expenses of operations and maintenance.

Section 8. Section 36.110 of the Kentucky Revised Statutes is amended to read as follows:

The staff of the commander-in-chief shall consist of an administrative and personal staff. The administrative staff shall consist of the Adjutant General and such other officers of the Kentucky National Guard of the grade prescribed by the *Department of Defense* [War Department] of the United States for the administrative staff for Kentucky, as are detailed by the Governor. The personal staff shall consist of not more than four aides-de-camp, detailed from commissioned officers of the National Guard in active service from grades below that of colonel. Such detail shall not add to the grade of the officer so appointed. The officers detailed as aides-de-camp shall not be relieved from duty with their respective organizations but shall perform all duties pertaining thereto except when on duty as aides-de-camp under orders of the Governor. The staff shall be appointed by the Governor and shall hold office during his pleasure or during the term for which he was elected.

Section 9. Section 36.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) Officers and enlisted men employed *by the Department of Military Affairs* [in The Adjutant General's Office] shall [not] be entitled to [additional] pay from the state for active state service, as defined in subsection (4) of KRS 38.010, *or* [but] *they* shall be entitled *to pay as an employee of the Department, but not both.* [, when] When serving under orders beyond the limits of the city *to which they are assigned,* [of Frankfort,] *they are entitled* to actual expenses or *nine* [seven] dollars per diem for travel in the state and *twelve* [nine] dollars per diem for travel without the state plus *the approved mileage allowance* [seven cents per mile] for transportation when so provided in the order under which such duty is performed.

(2) Nothing in this section shall be construed to prevent such employees from receiving fifteen days annual military leave with pay.

Section 10. Section 36.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) The system of organization, armament, discipline and government of the National Guard shall be prescribed from time to time in a code of regulations promulgated by the Governor, subject to the laws and regulations of the United States. [and to general exceptions authorized by the Secretary of War.]

(2) [(3)] The system of organization, armament, discipline and government of the Kentucky Active Militia shall be prescribed from time to time in a "Code of Regulations" to be promulgated by the Adjutant General after being authorized by the *Governor.* [Executive Council.]

Section 11. Section 36.200 of the Kentucky Revised Statutes is amended to read as follows:

The Adjutant General or such officers as *he may designate* [the Governor designates] shall inspect, at least once in each year or oftener if the Governor requires, all headquarters, arsenals, storehouses, armories, organizations, military property belonging to the state and military property issued to the state by the United States. The inspectors shall render a detailed report to the Adjutant General of the condition of same.

Section 12. The Governor, with the recommendation of the Adjutant General, may appoint an Assistant Adjutant General for the Army National Guard and as Assistant Adjutant General for the Air National Guard, who at the time of appointment shall be at least thirty years of age and shall be serving as a commissioned officer in the Kentucky National Guard. The Governor shall issue a commission to each such Assistant Adjutant General in the grade of Brigadier General provided such individual is qualified for Federal recognition in that grade. The position of Assistant Adjutant General for the Army National Guard and Air National Guard normally will require full time employment in the Department of Military Affairs. Such appointment shall be for the tenure of office of the appointing authority.

Section 13. Sections 36.045, 36.120, and 36.190 of the Kentucky Revised Statutes are repealed.

HB 185, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. *Section 189.070 of the Kentucky Revised Statutes is amended to read as follows: (1) No person shall operate any motor vehicle upon a highway outside of a business or residence district at* *any time from a half-hour before sunset to a half-hour before sunrise unless that vehicle carries the number and type of flares, electric lanterns, or other signals which the Department of Motor Transportation shall by regulation require.*

(2) Whenever any motor truck and its lighting equipment are disabled during a period when lighted lamps must be illuminated on vehicles and the truck cannot immediately be removed from the main traveled portion of a highway outside of a business or residence district, the person in charge of the vehicle shall cause to be placed upon the highway such flares, lanterns and other signals as the Department of Motor Transportation shall by regulation require, and such flares, lanterns or other signals shall be placed at such distances and in such positions as required by such regulations.

Section 2. Section 189.221 of the Kentucky Revised Statutes is amended to read as follows:

No person shall operate on any highway, except such highways as may be designated by the Commissioner of Highways under the provisions of KRS 189.222, any of the following trucks, trailers or vehicles:

(1) Any motor truck, [or] semitrailer, [truck] *trailer or vehicle* which exceeds 11½ feet in height or 96 inches in width, including any part of the body or load;

(2) Any motor truck, except a semitrailer truck, which exceeds 26½ feet in length, including any part of the body or load;

(3) Any semitrailer truck which exceeds 30 feet in length, including any part of the body or load;

(4) *A* [any] truck, [or] semitrailer truck *or truck and trailer unit* which exceeds 18,000 pounds gross weight, including *the* load; [or 600 pounds per inch of the combined width of the tires upon which such vehicle may be propelled]

(5) Any truck, semitrailer truck or tractor-trailer unit which exceeds a gross weight equal to the sum of 600 pounds per inch of the combined width of the tires upon which such vehicle may be propelled, but in no event more than 18,000 pounds.

Section 3. Section 189.730 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commissioner, uniformed officers and troopers of the Department of Public Safety *and Department of Motor Transportation* and such other officers and employees of the department as the commissioner may designate, may, at any time, upon reasonable cause to believe that a motor vehicle is unsafe or not equipped as required by law, or that its equipment is not in proper adjustment

or repair, require the driver of such motor vehicle to stop and submit such vehicle to an inspection and such test with reference thereto as may be appropriate.

(2) In the event such vehicle is found to be in unsafe condition or any required part or equipment is not present or is not in proper repair and adjustment, the officer shall give a written notice to the driver and shall send one copy to the Department of Public Safety. Said notice shall require that such motor vehicle be placed in safe condition and its equipment in proper repair and adjustment within a period of forty-eight hours or else remove said motor vehicle from the public highways and not operate the same on the highways until said motor vehicle is repaired and placed in a safe condition.

(3) In the event the use of such vehicle in its present condition would, in the reasonable judgment of the arresting officer, endanger the life of any member of the public, the officer shall require the vehicle to be parked, at the owner's expense, and not operated until it is placed in a safe condition.

HB 17, AN ACT relating to absent voting.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 126.140 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Absent voter" means any qualified voter *in the United States services, or bona fide, full time student in residence at an educational institution* who expects [in the course of his business or duties] to be absent from the county in which is situated his voting precinct on the day of holding any election.

(2) "Election" means any regular election, primary election or special election, for any federal, state, district, county or city office, including school district offices, and any election upon a public question.

(3) "Mail" means the delivery to a mail carrier or the deposit in a letter box or post office of a letter, with postage prepaid.

[(4) "Abroad" means outside of the continental limits of the United States of America.]

(4) *"United States services" means:*

(a) Members of the armed forces while in the active service, and their spouses and dependents *residing with them.*

(b) Members of the merchant marine of the United States, and their spouses and dependents *residing with them.*

(c) Civilian employees of the United States in all categories [serving outside the territorial limits of the several states of the United States and the District of Columbia] and their spouses and dependents when residing with or accompanying them, whether or not the employe is subject to the civil-service laws and the Classification Act of 1949, and whether or not paid from funds appropriated by the Congress.

(d) Members of religious groups or welfare agencies assisting members of the armed forces, who are officially attached to and serving with the armed forces and their spouses and dependents *residing with them.*

Section 2. Section 126.150 of the Kentucky Revised Statutes is amended to read as follows:

Any absent voter may, at any time of less than *twenty* [fifteen] days before an election, make an application in writing and by mail, on the form prescribed in KRS 126.160 or on Form 76 issued under 5 USCA 2184, to the clerk of the county court of the county of his residence, for an absent voter's ballot.

Section 3. Section 126.160 of the Kentucky Revised Statutes is amended to read as follows:

Applications for absent voter's ballots shall be signed and sworn to by the absent voter before *anyone* [a civil officer] authorized by law to administer an oath, provided neither the officer nor his deputy is a candidate to be voted for at the election. Except as provided in KRS 126.150, the application shall be substantially in the following form:

"County Court Clerk of_______________County,______________, Kentucky.

"I, ____________________, state that I am a resident of the State of Kentucky and have been such for at least one year prior to the date hereof. I am a resident of _________________ County and have been such for more than six months prior to said date and expect to be absent therefrom *for the reason checked and explained below:* [following reasons]

☐ United States Service___________________________________
(Specify branch)

☐ Spouse of member of United States Service_______________
____
(Specify branch)

☐ Dependent of member of United States Service____________
____
(Specify branch and kinship)

☐ Full-time resident student----------------------------------
(Specify school)

☐ Member, spouse, or dependent of religious or welfare agency

---"
(Specify armed service and agency)

at the election to be held on the---------day of------------------, 19------, and will not vote elsewhere at said election, and am a resident of ---------- precinct of said county (or ---------- ward of the city of --------------, county of --------------), and have been such for at least sixty days prior to said date; that I reside at ----------------, (house number and street address, if in city, or county road and nearest neighbor, if in county) that I will be at least eighteen years of age by the date of the next election, and that I am a duly qualified voter of said precinct (or said ward), and I am affiliated with the ---------------- political party; I request that an official ballot be mailed to me at the following address:

(Name and address)

(Rank and Unit if member of Armed Forces)

(Department of United States Government if an employe or the wife *or dependent of such employe* [an employe stationed abroad])

(Voter must sign here, and oath must be administered and attested.)

"Subscribed and sworn to before me this ---------- day of------ ------------------------------19----.

(Name and official title)"

Section 4. Section 126.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon receipt of any application for an absent voter's ballot, the county court clerk shall examine the registration books for the purpose of ascertaining whether or not the application is a registered voter as stated in the application. If the county court clerk finds that the applicant is so registered, he shall *mail* [forward] a ballot to the voter as provided in KRS 126.190, [subject to the provisions of KRS 126.175. If the county clerk does not find the applicant to be so registered,

and if the application does not indicate that the applicant is a member of the United States services who must remain away from his legal residence, the clerk shall immediately mail a letter to the applicant, at the address stated in the application, advising him that his application cannot be honored because of the fact that he is not registered, and advising him what period of time, if any, remains in which he may register prior to such election, and the clerk shall place the application in a file entitled "Nonregistered Applicants for Absent Voters' Ballots." If the clerk thereafter, and prior to the election, receives notice from the applicant advising the clerk that the applicant has registered, the clerk shall again examine the registration books, and if he finds that the applicant has registered he shall remove the application from the nonregistered applicants' file and forward a ballot as provided in KRS 126.190, subject to the provisions of KRS 126.175. Any applications not so removed from the nonregistered applicants' file shall be retained in such file until thirty days after the election, when they shall be burned by the clerk in the presence of the judge and sheriff of the county. If the application of a person found not to be registered indicates that the applicant is a member of the United States services who must remain away from his legal residence, the county court clerk, upon being satisfied that the applicant is entitled to be registered, shall] *if the clerk finds that this applicant is not registered, he shall upon being satisfied that the applicant is entitled to be registered,* cause the applicant to be registered in the registration records of the proper precinct, and shall mark upon such registration records the words "Absentee Registration." Such registration may be made *not later than twenty days before* [at any time prior to the election] the election for which an absent voter's ballot is applied for.

(2) Any person who has been registered under the provisions of subsection (1) of this section shall be required to re-register in person upon his first return to the county of his residence at a time when the books are open.

(3) The oath required of a member of United States services may be administered and attested by any commissioned officer in the active service of the armed forces, or any member of the merchant marine of the United States designated for this purpose by the Secretary of Commerce, or any civilian official empowered by state or federal law to administer oaths.

Section 5. Section 126.190 of the Kentucky Revised Statutes is amended to read as follows:

The county court clerk, after the ballots for an election have been printed, shall take the book of ballots and stubs for each precinct in which there are voters who have applied for absent voter's ballots and, commencing with the first ballot in the book, shall write the names and addresses of such absent voters on the primary stubs of the ballots, and across such stubs shall write the words, "Absent Voter." In the case of primary elections, the clerk shall use the ballot books in which are contained the ballots of the political party with which the particular voter is affiliated. After having made the entries above required, the county court clerk shall remove the ballots from the book, with the secondary stubs attached, and shall *mail* [send] the ballots of each voter to the address given by him in his application, the ballot sent to each voter to correspond with the number on the stub on which such voter's name is written. There shall be enclosed with the ballot sent to each voter the two official envelopes for returning the ballot hereinafter provided for, and a copy of the instructions for absent voters. The ballot, envelopes and instructions shall be sent postage prepaid, and if the address of the applicant is outside the continental limits of the United States the same shall be sent air mail.

Section 6. Section 126.210 of the Kentucky Revised Statutes is amended to read as follows:

The Secretary of State shall cause to be prepared and printed an appropriate number of inner envelopes for absent voter's ballots, for all counties. Each such envelope shall be gummed, ready for sealing. Upon one side of such envelope shall be printed, in substantially the following form:

OFFICIAL ABSENT VOTER'S ballot

Name of Voter--

Residence (Street and number, if any)----------------------------

----

County of ------------------ City or town of ------------------

On the other side of such envelope shall be printed the following oath:

"I do hereby swear (or affirm) that I am a citizen of the United States and am now of the age of at least eighteen years or will be on the day of the election to be held on the -------- day of --------------------, 19----, (here insert the day of the election) that I will have been a resident of the State of Kentucky for at least one year preceding such election, and a resident of the County of ---------------, for more than six months preceding such election, and a resident of -------------- precinct of said County (or ---------- ward of the city of -------------, County of----------) at least sixty days preceding such election; that I am a duly qualified voter of said precinct or said ward, and I am affiliated with the ------------------- political party; that *for the reason checked and*

explained below: [for the following reasons) ------------------------
--------------------------------.]

☐ United States Service------------------------------------
(Specify branch)

☐ Spouse of member of United States Service---------------

(Specify branch)

☐ Dependent of member of United States Service

(Specify branch and kinship)

☐ Full-time resident student--------------------------------
(Specify school)

☐ Member, spouse, or dependent of religious or welfare agency
---"
(Specify armed service and agency)

I expect to be absent from said *county* [precinct or ward] at the time of said election.

(Voter must sign here, and oath must be administered and attested.)

"Subscribed and sworn to before me this ----------------------
of -----------------------.

(Official Title)"

Such oath shall constitute prima facie evidence that the voter is qualified to vote, unless the statements contained in such indicate the contrary.

Section 7. Section 126.230 of the Kentucky Revised Statutes is amended to read as follows:

When the absent voter receives the ballot and the two envelopes, he shall go before *anyone* [some civil officer] authorized by law to administer an oath, provided neither the officer nor his deputy is a candidate to be voted for at the election, and before him make and subscribe to the affidavit on the face of the envelope and shall, in the presence of such officer and no one else, mark the ballot so as to indicate the way he desires to vote, but in such manner as to prevent the officer from knowing how the ballot is marked or how he has voted. He shall then, and while in the presence of the officer, fold the ballot in such way as to conceal the markings made thereon by him, and after the ballot has been so folded, he shall enclose it in the inner envelope; then seal said envelope and then enclose it in the outer envelope; then seal and write his name across the face of the outer envelope, and at once mail it to the county court clerk.

Section 9. Section 126.175 of the Kentucky Revised Statutes is repealed.

Section 10. Section 126.295 of the Kentucky Revised Statutes is repealed.

SB 290, AN ACT relating to powers of cities of all Classes to induce governmental agencies to locate or relocate within their boundaries; and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, the following words and terms have the following respective meanings unless it shall clearly appear from the context that another meaning is intended:

(a) "city" means a city of any class;

(b) "governing body" means the legislative body of a city;

(c) "governmental agency" means the Commonwealth, the United States, or any division, department, agency or instrumentality of either of them, including agencies and instrumentalities in corporate form, whether created by legislative enactment or organized as nonprofit corporations under general corporation laws for the purpose of serving as agencies or instrumentalities of either of them;

(d) "governmental project" means any building, structure, installation, activity, undertaking or program proposed by a governmental agency in furtherance of any lawful governmental or proprietary function of a governmental agency;

(e) "contract of inducement" means any contract, agreement, or offer and acceptance, whereby a city agrees to provide an inducement to a governmental agency, under authority of this Act, either (i) to establish or locate in the city or its environs a governmental project which might, but for such inducement, be established elsewhere, or not at all; or (ii) to establish or locate upon one or more particular sites deemed by the city, acting through its governing body, to be best situated in the interests of future city planning and development, or otherwise in the best interests of the public health, safety, welfare or convenience of the citizens and inhabitants of the city and its environs, a governmental project otherwise chosen or under consideration for establishment or location upon one or more other sites in or near the same city;

(f) "inducement" or "municipal inducement" means appropriation of public funds derived from any source and not required by law to be applied, reserved or appropriated to some other purpose, issuance of bonds and application of bond proceeds, and provision of any lands, improvements or appurtenances herein authorized to be acquired, constructed, installed or undertaken by a city as an inducement for a purpose authorized to be accomplished or promoted under the provisions of a contract of inducement;

(g) "revenue bonds" and "general obligation bonds" mean, respectively, the bonds which a city is hereinafter authorized to issue under such designations;

(h) "bonds" or "bond proceeds," if unaccompanied by other designation, refer to either revenue bonds or general obligation bonds, or both of them, and the proceeds thereof, as the context may indicate.

Section 2.

(1) A city may acquire by purchase, exercise of the power of eminent domain, option or lease, and may accept by way of grant, gift, devise or otherwise, a fee simple unencumbered title to, or any lesser interest in, lands which are suitable for and acceptable to a governmental agency as a site or sites for one or more governmental projects.

(2) In addition to such acquisition, a city may improve such lands in any manner which in the discretion of the governing body may be necessary or desirable to place the same in condition suitable and acceptable for use and occupancy, including, but not by way of limitation, demolition of existing buildings or structures, removal of debris, grading, provision of proper drainage, closure of public ways, establishment and improvement of new public ways, relocation and improvement of existing public ways, relocation of publicly or privately owned utility installations, erection of buildings, structures and other improvements, and extension of the services and facilities of any city-owned utility system to any such site or sites.

(3) A city may in the discretion of its governing body, enter into contracts of inducement with governmental agencies, and pursuant thereto may make a conveyance or lease of, or grant an option to acquire or lease, such lands, with or without site improvements, utility services, buildings, structures or other improvements, upon such terms and conditions as in the discretion of the governing body of the city may appear to be in the best interests of the public health, safety or general welfare of the citizens and inhabitants of the city. In its exercise of such discretion the governing body of the city may ascertain and declare as a legislative determination of fact, by ordinance duly adopted and made effective according to law, that by reason of immediate benefits to the city or to its citizens and inhabitants, or by reason of ultimate benefits reasonably to be anticipated in the way of relieving the city of public welfare obligations, facilitating proper municipal planning, increasing opportunities for gainful employment,

increasing sources of tax or other revenues, or otherwise, a contract of inducement shall be made with a governmental agency in the public interests without concurrent tangible consideration in terms of cash or property, and solely or partly in anticipation of such prospective public benefits.

(4) A city may exercise all or any of the powers herein conferred upon it as incidents to the exercise of its urban renewal and/or urban redevelopment functions authorized and contemplated in and by KRS Chapter 99, or otherwise. In the event a city has elected or may hereafter elect to perform and carry out its permissible urban renewal and/or urban redevelopment functions through, or without the intervention of, an independent corporate agency or instrumentality, such city may lawfully raise funds from any source or sources authorized or permitted by law, and by means thereof acquire such lands in its own name and pay therefor the resale or lease value established as provided in KRS Chapter 99, and thereby redeem and perform obligations and commitments to the United States or others within the meaning, intent and purpose of federal or Kentucky statutes relating to such urban renewal and urban redevelopment programs.

Section 3. Municipal inducements are hereby declared as a matter of legislative determination of the General Assembly to be lawful public purposes and public uses for which cities may exercise all powers authorized by the provisions of this Act, or otherwise provided by law.

Section 4. In order to provide all or any part of municipal inducements a city may by ordinance adopted and made effective as provided by law, incur indebtedness and issue in evidence thereof its general obligation bonds, the last principal maturity of which shall be not later than the fortieth (40) anniversary of the date of the bonds, for the payment of which when due, both principal and interest, the full faith, credit, resources and unlimited taxing power of the city shall irrevocably be pledged; but only subject to the city's limit of such indebtedness as prescribed by Section 158 of the Constitution, and only if authorized by the voters at an election held on a regular November election day according to Section 157 of the Constitution. The proceedings incident to calling and holding any such election shall be according to KRS 66.050, 66.060, or 66.070, as may be applicable to the class of city involved, but the time or times of newspaper advertising of any such election, and the newspaper wherein published shall be according to KRS Chapter 424, as amended, or as may hereafter be amended.

After any such election, the city shall by ordinance specify terms for the bonds which are not inconsistent with the provisions of this Act, including, but not by way of limitation, their denominations, whether the bonds shall be of term or serial maturities, and the amount which shall mature on any serial maturity date; whether the bonds, or any of them, shall be subject to redemption prior to stated maturities and upon what terms; the place or places of payment of principal and interest, which may be within the Commonwealth or outside thereof; whether interest shall be evidenced by annexed coupons; whether the bonds shall be registered or registrable as to principal or interest, or both, and any other details not contrary to law which, in the discretion of the city, may appear wise and expedient. The bonds shall be sold at not less than face amount upon sealed purchase bids which shall be publicly opened and considered. Bidders shall be required to stipulate in their bids one or more interest rates of their own choosing, and no rate shall be fixed in excess of six per cent per annum.

Section 5. In order to provide all or any part of municipal inducements a city, acting in the discretion of its governing body, may issue revenue bonds as set forth in this *Section* 5 of this Act.

(1) The revenue bonds and interest thereon shall be payable solely from a special fund or account of the city, and from such revenues as may be pledged to be set aside therein from permissible sources, as herein authorized and provided, and shall not constitute indebtedness of the city. It shall be stated plainly on the face of each bond that it has been issued under the provisions of this Act, and that it does not constitute an indebtedness of the city within the meaning of the Constitution.

(2) Prior to the issuance of the bonds, provision shall be made by ordinance for the creation of a separate and special fund or account of the city, identified as constituting the source of payment of principal and interest, and by covenant to be continued so long as any of the bonds shall remain outstanding and unpaid. By the provisions of such ordinance the city may pledge and covenant that it will cause to be set aside and deposited in such separate and special fund, from time to time, monies received from any or all of the following sources, subject to the following conditions and limitations:

(a) In the event that the contract of inducement with the governmental agency is upon such terms as will cause the governmental project to produce direct revenues in the form of rents, royalties, fees, rates or charges of any character (including any payments to the city in lieu of property taxes, but not property taxes themselves), all or any portion thereof may be so pledged; but it shall not be a condition or requirement in the issuance of revenue bonds that such revenues be anticipated at all, nor that they be sufficient in themselves to provide for the payment of principal and interest when scheduled to become due.

(b) In the event that the contract of inducement with the governmental agency is upon such terms as in the opinion of the governing body of the city will cause the project to produce no direct revenues, or to produce direct revenues insufficient to give acceptable assurance of payment of principal and interest when scheduled to become due, then

(i) the city may pledge and covenant that it will cause to be deposited in said special fund, the revenues which it may derive from any municipally owned and operated water, electric, gas, sewer or other utility systems, or from any combination thereof, to the extent such revenues at the time may be or become surplus to the necessary costs of operating and maintaining such utility system or systems and surplus to any existing contractual commitments of the city to the holder or holders of outstanding revenue bonds payable from such revenues; and

(ii) If the governing body of the city shall make a legislative finding of fact, as recited in the body of the ordinance authorizing issuance of the bonds, that the governmental project is of such nature as to provide increased revenues to the city by reason of increased employment and resulting increased receipts from occupational license fees or occupational license taxes, then the city may pledge and covenant that it will cause to be deposited in said separate and special fund the receipts which may be definitely identified as accruing from such occupational license fees or taxes by reason of employment in or directly related to the governmental project, less a proportionate part of the costs of collecting such fees or taxes.

AND PROVIDED, HOWEVER, that in the case of revenues originating from any of the sources and in the respective manners set forth in the foregoing (i) and (ii) of this subparagraph (b) of subsection (2) of this section, the city may covenant and pledge (i) that such revenues, or a stipulated amount thereof, will be set aside and deposited in the special fund when, as, and if received, (ii) that as to any city-owned utility system the rate or schedule of rates prevailing at the time revenue bonds are issued will not be reduced so long as any of the bonds remain outstanding and unpaid, and (iii) in the case of a pledge of revenues of a city-owned utility system or combination of utility systems, that the city will not sell or otherwise dispose thereof without making provision for payment of the revenue bonds from the proceeds of such sale or other disposition, due regard being given to the priority of any previously issued bonds which are payable from such revenues; but a city may not additionally pledge that it will raise or adjust the rate or rates of any utility system, or of any combination of utility systems, or of any occupational license fee or occupational license tax solely for the purpose of assuring revenues from such sources adequate to provide for payment of revenue bonds issued hereunder.

(3) The principal of and the interest on such bonds shall be payable solely from the funds provided for such payment. The bonds

of any issue may be in one or more series and any one or more such series may enjoy equal or subordinate status with respect to the pledge of funds from which they are payable, shall be dated, shall bear interest at such rate or rates not exceeding six per cent per annum, shall mature at such time or times not exceeding forty years from their date or dates, all as may be provided by the city, and may be made redeemable before maturity, at the option of the city, at such price or prices and under such terms and conditions as may be fixed by the city prior to the issuance of the bonds. The city shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places for payment of principal and interest, which may be at any bank or trust company within or without the Commonwealth. The bonds shall be signed by the facsimile signature of the Mayor (or in the case of a city of the sixth class, the Chairman of the Board of Trustees) and the seal of the city or a facsimile thereof shall be affixed thereto and attested by the manual signature of the City Clerk, and any coupons attached thereto shall bear the facsimile signature of the Mayor and the City Clerk. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. All bonds issued under the provisions of this section shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the Commonwealth. The bonds may be issued in coupon or in registered form, or both, as the city may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest. The city may sell such bonds at a public sale in such manner as it may determine will best effect the purposes of this section, but no such sale shall be made at a price so low as to require the payment of interest on the money received therefor at more than six percent per annum computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, excluding, however, from such computations the amount of any premium to be paid on redemption of any bonds prior to maturity.

(4) The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the lands or property to be used as the site of the governmental project or projects for which such bonds shall have been issued, the cost of such improvements thereto as may have been agreed upon, and the cost of the issue, and shall be disbursed in such manner and under such restrictions, if any, as the city may provide in the proceedings authorizing the issuance of such

bonds or in the trust indenture securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than such costs additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the proceedings authorizing the issuance of such bonds or in the trust indenture securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue shall exceed such costs, the surplus shall be deposited to the credit of the sinking fund or funds for such bonds or any account or accounts therein as the city shall have provided in the proceedings or trust indenture authorizing and securing such bonds.

(5) Prior to the preparation of definitive bonds, the city may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The city may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Bonds may be issued under the provisions of this section without any other proceedings or the happening of any other conditions or things, except as specifically required by this section.

(6) In the discretion of the city any bonds issued under the provisions of this section may be secured by a trust indenture by and between the city and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the Commonwealth. Such trust indenture or the proceedings providing for the issuance of such bonds may pledge or assign the revenues to be received; but shall not convey or mortgage any project or any part thereof, except in the case of bonds issued through the agency and instrumentality of a nonprofit corporation organized under the general corporation laws of the Commonwealth, in which case there may be a conveyance or mortgage if such corporation be thereunto authorized by the governing body of the city. Such trust indenture or proceedings may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the city in relation to the acquisition of property and the construction, improvement, maintenance, repair, operation and insurance of the project or projects in connection with which such bonds shall have been authorized, the rates of the rentals to be charged, and the custody, safeguarding and application of all moneys, if such covenants shall be appropriate to the issue. It shall be lawful for any bank or trust company incorporated under the laws of the Commonwealth which may act as depository of the proceeds of bonds or of revenues to furnish such indemnifying bonds or to

pledge such securities as may be required by the city. Any such trust indenture may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust indenture or proceedings may contain such other provisions as the city may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust indenture or proceedings may be treated as a part of the cost of the project or projects.

(7) All moneys received pursuant to the provisions of this section, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this section. The proceedings or the trust indenture shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to such regulations as this Act and such proceedings or trust indenture may provide.

(8) Any holder of bonds issued under the provisions of this section or any of the coupons appertaining thereto, and the trustee under any trust indenture, except to the extent the rights herein given may be restricted by such trust indenture, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the Commonwealth or granted under this section or under such trust indenture or the proceedings authorizing the issuance of such bonds, and may enforce and compel the performance of all duties required by this section or by such trust indenture or proceedings to be performed by the city or by any officer or employes thereof.

Section 6. The exercise of the powers granted by this Act will be in all respects for the benefit of the people of the Commonwealth and its political subdivisions, for the increase of their commerce and prosperity, and for the promotion of employment and the alleviation of unemployment, and as the acquisition of a governmental project or projects by a city will constitute the performance of essential governmental functions, and will aid in the performance of other governmental functions by the Commonwealth and by the United States, the bonds issued under the provisions of this Act, whether general obligation or revenue bonds, their transfer and the income therefrom (including any profit made on the sale thereof) shall at all times be free from taxation within the Commonwealth.

Section 7. Bonds issued by a city under the provisions of this Act are hereby made securities in which all public officers and public bodies, agencies and instrumentalities of the Commonwealth and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of a similar nature may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or other obligations of the Commonwealth is now or may hereafter be authorized by law.

Section 8. Whenever any property authorized to be acquired under *Section 2* hereof cannot be acquired by purchase upon terms which a city, or an agency thereof designated to act for it, deems to be reasonable, or whenever the owner is legally incapacitated, absent, unknown, or unable to convey valid title, the city, or the agency acting therefor, is hereby authorized and empowered to acquire such property by condemnation or the exercise of the power of eminent domain in the manner prescribed by KRS 99.420. The term "agency" used in said statute shall be deemed to mean and include the city itself, or an agency of the city designated to act for it.

Section 9. Whereas the City of Covington is desirous of making use of the provisions of this Act immediately for the purpose of inducing the Internal Revenue Service to locate a new data processing center in said City, which is expected to result in the employment of more than 1,500 people in the City, and whereas the Act is also expected to prove useful to agencies of the Commonwealth in the establishment of new offices or branches, an emergency is declared to exist, and this Act shall become effective immediately upon its passage by the General Assembly and approval by the Governor.

Committee on Motor Vehicles, Commerce and Common Carriers reported **SB 154** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 154, AN ACT relating to motor vehicle inspection.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Department" means the Department of Public Safety;

(2) "Commissioner" means the Commissioner of the Department of Public Safety.

Section 2. No person shall drive or move on any highway any motor vehicle, trailer, semitrailer or pole trailer, or any combination thereof, unless the equipment upon such vehicle is in good working order and adjustment as required in this Act and unless the vehicle is in such safe mechanical condition as not to endanger the driver or other occupant or any person upon the highway.

Section 3. (1) The commissioner shall at least once each year, but not more frequently than twice each year, require that every motor vehicle, trailer, semitrailer and pole trailer registered in the Commonwealth be inspected and that an official certificate of inspection and approval be obtained for each such vehicle. New motor vehicles shall be inspected before sale and all motor vehicles registered in the Commonwealth shall be inspected no later than July 1, 1963.

(2) Such inspections shall be made and such certificates obtained with respect to the brakes, lights, turn signals, sound devices, safety glass, exhaust system, windshield wipers, tires and such other equipment as the commissioner may deem necessary.

(3) In the event repair or adjustment of any vehicle or its equipment is found necessary upon inspection, the owner of said vehicle may obtain such repair or adjustment at any place he may choose, but in every event an official certificate of inspection and approval shall be obtained from an official permit holder before such vehicle shall be operated upon the highways of this Commonwealth.

(4) The commissioner may suspend the registration of any vehicle which is determined to be in such unsafe condition as to constitute a menace to safety, or which after notice and demand is not equipped as required by this Act or for which a required certificate has not been obtained.

(5) The commissioner may authorize the acceptance in the Commonwealth of a certificate of inspection and approval issued in another state having an inspection law similar to this Commonwealth and may extend the time within which a certificate shall be obtained by the resident owner of a vehicle which was not in this Commonwealth during the time an inspection was required.

Section 4. (1) The commissioner shall issue permits for and furnish instructions and all necessary forms to official inspection stations for the inspection of motor vehicles as herein required. An annual fee not to exceed twenty-five dollars, payable to the Department of Public Safety, shall accompany the application for a permit. If a permit is not issued, one half of the fee shall be returned to the applicant. The official certificates of inspection and approval shall be obtained from the Department of Public Safety at a cost not to exceed fifteen cents per certificate. All fees collected by the department under this Act shall be put into the State Treasury and credited to a revolving fund for use by the department in the enforcement of this Act.

(2) Application for a permit shall be made upon an official form and shall be granted only when the commissioner is satisfied that the station is properly equipped and has competent personnel to make such inspections and adjustments and will be properly conducted. The commissioner before issuing a permit may require the applicant to file a bond conditioned that it will compensate for any damage to a vehicle during an inspection or adjustment due to negligence by the applicant or its employes.

(3) The commissioner shall supervise and cause inspections to be made of such stations, and shall revoke the permit issued to a station which he finds is not properly equipped or conducted. The commissioner shall maintain lists of all stations holding permits and of those whose permits have been revoked.

Section 5. (1) No permit for an official station shall be assigned or transferred or used at any location other than therein designated and permits shall be posted in a conspicuous place at the location designated.

(2) The person operating an official inspection station shall issue a certificate of inspection and approval upon an official form furnished by the department to the owner of a vehicle only upon inspecting such vehicle and determining that its equipment required by this Act is in good condition and proper adjustment. A record and report shall be made of every inspection and every certificate issued. These records shall be forwarded to the department at times specified by the commissioner.

(3) The fee for inspection including the issuance of the certificate of approval shall not exceed $1.50. However, no fee shall be charged and no certificate of approval shall be issued until and unless the prescribed inspection is completed and the permit holder has complied with the provisions of this Act.

(4) The appropriate inspection certificate shall be placed in the lower right hand corner of the front windshield at the conclusion of each inspection by the person performing the inspection.

Section 6. (1) No person shall in any manner represent any place as an official inspection station unless such station is operating under a valid permit issued by the department.

(2) All signs or posters pertaining to the safety inspection program to be used by an official station shall be approved by the commissioner or his agents before being distributed or posted.

(3) No person other than a duly authorized permit holder, or appointed employe of the permit holder, shall issue a certificate of inspection and approval.

Section 7. (1) No person shall make, issue or knowingly use any imitation or counterfeit of an official certificate of inspection.

(2) No person shall display or cause or permit to be displayed upon any vehicle any certificate of inspection and approval knowing it to be fictitious or issued for another vehicle or issued without an inspection having been made.

Section 8. Section 189.730 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commissioner, uniformed officers and troopers of the Department of Public Safety and such other officers and employes of the department as the commissioner may designate, may, at any time, upon reasonable cause to believe that a motor vehicle is unsafe or not equipped as required by law, or that its equipment is not in proper adjustment or repair, require the driver of such motor vehicle to stop and submit such vehicle to an inspection and such test with reference thereto as may be appropriate.

(2) In the event such vehicle is found to be in unsafe condition or any required part or equipment is not present or is not in proper repair and adjustment, the officer shall give a written notice to the driver and shall send one copy to the Department of Public Safety. Said notice shall require that such motor vehicle be placed in safe condition and its equipment in proper repair and adjustment *specifying the particulars with reference thereto and that a certificate of inspection and approval be obtained within five days* [within a period of forty-eight hours or else remove said motor vehicle from the public highways and not operate the same on the highways until said motor vehicle is repaired and placed in a safe condition].

(3) No person driving a motor vehicle shall refuse to submit such vehicle to an inspection and test when required to do so by the commissioner or an authorized officer or employe of the Department.

(4) Every owner or operator, upon receiving a notice as provided in subsection (2) shall comply therewith and shall within five days secure an official certificate of inspection and approval which shall be issued in duplicate, one copy shall be retained by the owner or operator and the other copy shall be forwarded to the Department. In lieu of compliance with this subsection the vehicle shall not be operated, except as provided in subsection (5).

(5) No person shall operate any vehicle after receiving a notice with reference thereto as provided in subsection (2) except as may be necessary to return such vehicle to the residence or place of business of the owner or driver or to a garage, until the vehicle and its equipment has been placed in proper repair and adjustment and otherwise made to conform to the requirements of this Act. A certificate of in-

spection and approval shall be obtained as promptly as possible thereafter.

(6) In the event repair or adjustment of any vehicle or its equipment is found necessary upon inspection, the owner of said vehicle may obtain such repair or adjustment at any place he may choose, but in every event an official certificate of inspection and approval shall be obtained from an official permit holder before such vehicle shall be operated upon the highways of this Commonwealth.

Section 9. Section 189.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 189.020 to 189.040, subsections (1), (2) and (5) of KRS 189.050, KRS 189.060 to 189.080, subsections (1) to (3) of KRS 189.090, KRS 189.100, 189.110, 189.130 to 189.160, subsections (2) to (4) of KRS 189.190, KRS 189.200, 189.290, 189.300 to 189.360, KRS 189.380, KRS 189.390, except subsection (4) (c), KRS 189.400 to 189.430, 189.450 to 189.480, subsection (1) of KRS 189.520, KRS 189.540, subsection (1) of KRS 189.560 to 189.630, except subsection (1) of KRS 189.580, shall be fined not less than ten dollars nor more than one hundred dollars for each offense. Any person who violates subsection (1) of KRS 189.580 shall be fined not less than ten dollars nor more than two thousand dollars, or imprisoned in the county jail for not more than one year, or both. Any person who violates KRS 189.390 (4) (c) shall be fined not less than one dollar nor more than twenty dollars. Neither court costs nor fees shall be taxed against any person convicted of violating KRS 189.390 (4) (c).

(2) (a) Any person who violates the weight provisions of KRS 189.221 or 189.222 shall be guilty of a misdemeanor, and upon conviction thereof shall be fined in an amount equal to two cents per pound for each pound of excess load when the excess is 2,000 pounds or less, three cents per pound when the excess exceeds 2,000 pounds and is 3,000 pounds or less, five cents per pound when the excess exceeds 3,000 pounds and is 4,000 pounds or less, seven cents per pound when the excess exceeds 4,000 pounds and is 5,000 pounds or less, and nine cents per pound when the excess exceeds 5,000 but in no case to exceed $500.

(b) Any person who violates any provision of subsections (3) and (4) of KRS 189.050, subsection (4) of KRS 189.090, KRS 189.221 to 189.230, 189.270, 189.280, or 189.490, for which another penalty is not specifically provided, shall be guilty of a misdemeanor and upon conviction thereof, shall be fined in any sum not exceeding $500.

(c) Nothing in this subsection or in KRS 189.221 to 189.228 shall be deemed to prejudice or affect the authority of the Division of Motor Transportation to suspend or revoke certificates of common carriers, permits of contract carriers, or drivers' or chauffeurs' licenses, for any violation of KRS 189.221 to 189.228 or any other Act applicable to motor vehicles, as provided by law.

(3) Any person who violates KRS 189.170 shall be fined not less than five nor more than fifty dollars for each day he operates a truck in violation of KRS 189.170.

(4) (a) Any person who violates subsection (1) of KRS 189.190 shall be fined not more than five dollars.

(b) Any person who violates subsection (5) of KRS 189.190 shall be fined not less than twenty-five nor more than two hundred dollars.

(5) (a) Any person who violates subsection (1) of KRS 189.210 shall be fined not less than fifteen nor more than one hundred dollars.

(b) Any peace officer who fails, when properly informed, to enforce KRS 189.210 shall be fined not less than fifteen nor more than one hundred dollars.

(c) All fines collected under this subsection, after payment of commissions to officers entitled thereto, shall go to the county road fund if the offense is committed in the county, or to the city street fund if committed in the city.

(6) Any person who violates subsection (3) of KRS 189.320 shall be guilty of a misdemeanor.

(7) Any person who violates subsection (1) of KRS 189.370 shall be fined not more than five hundred dollars or imprisoned for not more than six months, or both.

(8) Any person who violates KRS 189.500 shall be fined not more than five dollars in excess of the cost of the repair of the road.

(9) Any person who violates KRS 189.510 shall be fined not less than ten nor more than fifty dollars.

(10) (a) Any person who violates subsection (2) of KRS 189.520 shall be fined, for the first offense, not less than one hundred nor more than five hundred dollars, and for each subsequent offense he shall be fined not less than one hundred nor more than five hundred dollars and imprisoned for not more than six months.

(b) Any peace officer who violates subsection (3) of KRS 189.520 shall be fined not less than twenty-five nor more than one hundred dollars.

(11) Any person who violates KRS 189.530 shall be fined not less than twenty-five nor more than one hundred dollars or imprisoned not less than thirty days nor more than twelve months, or both.

(12) Any person who violates any of the provisions of KRS 189.550 shall be fined not less than ten nor more than one hundred dollars for each offense.

(13) Any person who violates subsection (2) of KRS 189.560 shall be fined not less than twenty nor more than one hundred dollars for each offense.

(14) The fines imposed by subsection (4) (a) and subsections (8) and (9) of this section shall, in the case of a public highway, be paid into the county road fund, and in case of a privately owned road or bridge be paid to the owner. These fines shall not bar an action for damages for breach of contract.

(15) Any person who violates any of the provisions of KRS 189.120 shall be fined not less than ten dollars nor more than one hundred dollars for each offense.

(16) Any person who violates any provision of KRS 189.575 shall, upon conviction thereof, be fined not exceeding twenty-five dollars.

(17) Any person who violates subsection (2) of KRS 189.231 shall be fined not less than ten dollars nor more than one hundred dollars for each offense.

(18) (a) Any person who violates any of the provisions of KRS 189.565 shall be fined not less than fifteen dollars nor more than two hundred dollars, or imprisoned for not more than thirty days, or both.

(b) In addition to the penalties prescribed in subsection (1) of this section, in case of violation by any person in whose name such vehicle used in the transportation of inflammable liquids or explosives is licensed, such person shall be fined not less than one hundred nor more than five hundred dollars. Each violation shall constitute a separate offense.

[(19) Any person who has been given a written notice as provided in subsection (2) of KRS 189.730 and who fails to take proper action thereon shall be guilty of a misdemeanor, and upon conviction thereof shall for the first offense be punished by a fine of not more than one hundred dollars or by imprisonment for not more than ten days; for a second conviction within one year thereafter such person shall be punished by a fine of not more than two hundred dollars or by imprisonment for not more than twenty days, or both; upon a third or subsequent conviction within one year after the first conviction such person shall be punished by a fine of not more than five hundred dollars or by imprisonment for not more than six months, or by both such fine and imprisonment.]

[(20) Any person who violates KRS 189.740 shall be guilty of a misdemeanor, and shall be subject, upon conviction, to the penalties provided in subsection (19) of this section.]

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

Any person who violates any provision of this Act shall be fined not less than ten dollars nor more than one hundred dollars.

Section 11. The commissioner may issue a license under the provisions of this Act to any commercial carrier which operates twenty or more vehicles registered in the Commonwealth of Kentucky.

Section 12. Section 189.740 of the Kentucky Revised Statutes is repealed.

Section 13. This Act shall become effective on July 1, 1962.

Committee on Kentucky Statutes #2 reported **SB 175, HB 19, HB 236** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 175, AN ACT relating to statutory liens.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 376.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the property or effects of, *or involved in,* any mine, railroad or canal, or other public improvement company, or of any rolling mill, foundry or other manufacturing establishment, or of any other business, whether incorporated or not, are assigned for the benefit of, or are to be distributed among creditors, whether by operation of law or by its own act, the employes of the owner or operator of the business shall have a lien upon the property and effects which have been involved in the business and upon the accessories connected therewith, including any interest in real property used in carrying on the business[.], *and any property and effects involved in the business and at the time of involvement thereof the owner and operator of the business was in possession of the property and effects so involved as a bailee, lessee, or vendee under a conditional sale contract, or a contract of sale wherein the vendor retains a security interest within the meaning of the Uniform Commercial Code as contained in Chapter 355 of the Kentucky Revised Statutes.*

(2) Any person who has furnished materials or supplies for carrying on or operating any railroad shall likewise have a lien upon the property [of the company] involved in the business *of the company* and upon the accessories connected therewith, including the interest of the company in the real property used in carrying on the business.

(3) That portion of this section providing for liens upon leased or bailed property shall not affect any lease or bailment executed prior to the date in the year 1962 when this act becomes effective.

Section 2. Section 376.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any lien provided for in KRS 376.150 and 376.180 shall be superior to *any lessor's claim or bailor's claim or interest in said property or effects involved in the employer's business and to* the lien of any mortgage, *conditional sale contract, security interest within the meaning of the Uniform Commercial Code as contained in Chapter 355 of the Kentucky Revised Statutes,* or other encumbrance thereafter created, and shall be for the whole amount due the employes as such, or due for such materials or supplies. Liens of employes for wages coming due them within six months before the property or effects shall come to be distributed among creditors shall be superior to the lien of any mortgage, *conditional sale contract, security interest within the meaning of the Uniform Commercial Code as contained in Chapter 355 of the Kentucky Revised Statutes,* or other encumbrance theretofore or thereafter created [.], *and shall be superior to any lessor's or bailor's claim or interest in said property or effects involved in the employer's business.* No president or other chief officer nor any director or stockholder of any such company, shall be deemed an employe within the meaning of KRS 376.150.

(2) That portion of this section providing for liens upon leased or bailed property shall not affect any lease or bailment executed prior to the date in the year 1962 when this act becomes effective.

HB 19, AN ACT relating to police departments in third class cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) In all cities of the third class, except those in which, by ordinance, the patrolmen are employed or paid by the day, the members of the police department shall not be required to work more than eight hours per day, for five days each week, except in the event of an emergency. Each member of the police department shall have an annual leave of fifteen working days with full pay.

(2) The salary of the members of the police department shall not be reduced by reason of the enactment of this Act.

HB 236, AN ACT relating to the immunization of children against diphtheria, tetanus, poliomyelitis and pertussis.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act the term "child" means a person under 18 years of age.

Section 2. Except as otherwise provided in Section 4 of this Act, all parents, guardians, and other persons having care, custody or control of any child shall have the child immunized against diphtheria, tetanus, poliomyelitis and pertussis within twelve months after birth. Such persons shall also have booster immunizations administered to the child in accordance with the regulations of the State Board of Health.

Section 3. Except as otherwise provided in Section 4 of this Act, no child shall be eligible to enroll as a student in any public or private elementary or secondary school without first presenting a certificate from a duly licensed medical or osteopathic physician stating that the child has been immunized against diphtheria, tetanus and poliomyelitis in accordance with the provisions of this Act and the regulations of the State Board of Health. The governing body of private and public schools shall enforce the provisions of this section.

Section 4. Nothing contained in this Act shall be construed to require the immunization of any child at a time when, in the written opinion of his attending physician, such immunization would be injurious to the child's health. Nor shall this Act be construed to require the immunization of any child whose parents are members of a nationally recognized and established church or religious denomination, the teachings of which are opposed to medical immunization against disease, and who object in writing to the immunization of such child on that ground. Provided, however, that in the event of an epidemic in a given area, the State Board of Health may, by emergency regulation, require the immunization of all persons within the area of epidemic, against the disease responsible for such epidemic.

Section 5. Any person who violates any provision of this Act shall be fined not less than ten dollars nor more than one hundred dollars, or imprisoned for not less than ten days nor more than sixty days, or both.

Committee on National and Civil Defense reported **SB 61** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 61, AN ACT relating to Department of Military Affairs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 35.285 of the Kentucky Revised Statutes is amended as read as follows:

(1) Any sentence of confinement adjudged by a court-martial or other military court, whether or not such sentence includes discharge or dismissal and whether or not such discharge or dismissal has been executed, may be carried into execution by confinement in any place of confinement under the control of the National Guard or Active Militia, or in any jail, penitentiary or prison designated for that purpose as prescribed in KRS 35.055; and persons so confined in such a jail, penitentiary or prison shall be subject to the same discipline and treatment as persons confined or committed to such jail, penitentiary or prison by the courts of the state or of any political sub-division thereof.

(2) The omission of the words "hard labor" in any sentence of a court-martial adjudging confinement shall not be construed as depriving the authority executing such sentence of the power to require hard labor as a part of the punishment.

(3) The jailers, officers and wardens of all jails, penitentiaries or prisons designated pursuant to KRS 35.055 shall receive the bodies of persons ordered into confinement prior to trial and of persons committed to confinement by the process or mandate of a military court and shall confine them according to law, and no such jailer, officer or warden shall demand or require payment of any fee or charge of any nature for receiving or confining a person in such jail, penitentiary or prison, *except that county jailer may be entitled payment for keeping and dieting prisoners in jail as provided in KRS Section 64.150.*

Committee on Municipalities reported **SB 106, SB 222, SB 224, HB 8, HB 55** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 106, AN ACT relating to boards of equalization.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 92.510 of the Kentucky Revised Statutes is amended to read as follows:

Equalization of assessment in cities of fourth class. (1) The supervisors of taxes in each city of the fourth class shall meet in the office of the assessor on the first Monday in *April* [May] of each year, and may adjourn from day to day until their work is completed, not exceeding twenty days. Ten days' notice of the place of meeting shall be given by printed notice, and no assessment shall be increased unless the taxpayer, if he lives in the city, has been cited to appear before the supervisors. The assessor shall meet with the supervisors.

(2) The supervisors of taxes shall carefully examine the assessor's books, and correct any errors of the assessor that are found. They shall hear complaints of taxpayers, made in person or by agent or attorney, and may add to, increase or decrease any list of property or the value thereof, or change the name of the person assessed.

(3) Failure or informality in the election of supervisors of taxes, or in their meetings or proceedings, shall not affect the validity of any tax.

(4) The provisions of subsection (2) of KRS 92.530 shall govern appeals from the action of the supervisors of taxes in cities of the fourth class.

SB 222, AN ACT relating to license fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 68.190 of the Kentucky Revised Statutes is amended to read as follows:

Any amount paid to any city of the first class within such a county as a license fee, for the same privilege and for the same period, shall be credited against the county license fee payable hereunder. Any amount paid to any other city within such county as a license fee, for the same privilege and for the same period, shall be credited against the county license fee payable hereunder, provided that such city at least thirty days prior to the beginning of any county fiscal year, has contracted with the fiscal court to contribute annually to the support of joint agencies of such county and one or more cities in the county, an amount which *will be in* [bears] the same ratio *as the monies collected by a city of the first class for the same privilege and for the same period, and paid by said first class city for the support of said joint agencies* [to the annual appropriation made for such joint agencies by a city of the first class in the county, as the assessed valuations for county tax purposes, as determined by the county tax commissioner, of the real and tangible personal property, excluding franchises, located within the corporate limits of such other cities, respectively, bears to the same assessed valuations within a city of the first class in said county].

SB 224, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 100.330 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each commission shall consist of five "city members" and five "county members."

(2) The city members shall be chosen in the following manner: The city manager and the city engineer shall be ex officio members of the commission. If there is no city manager, the mayor shall be an ex officio member. If there is no city engineer, the mayor shall appoint some other city administrative official to serve as an ex officio member. The mayor shall appoint the remaining three city members who shall be residents of the city and shall hold no other city or county office. All appointments by the mayor shall be subject to approval by the city legislative body.

(3) The county members shall be chosen in the following manner: the county judge shall designate one member of the county legislative body and the county engineer to serve as *an* ex officio member [s] of the commission. *If there is no county engineer, the county judge shall appoint some other county administrative official to serve as an ex officio member.* The remaining three county members shall be chosen by the county judge and shall [be residents of the county outside the limits of the city holding] *hold* no other city or county office. All appointments by the county judge shall be subject to approval by the fiscal court.

(4) The citizen members initially appointed by the mayor shall hold office according to designation in their appointment, one of them for two years, and the others for terms of four years each, and upon the expiration of their respective terms, the successor of each shall hold his office for a term of four years. Vacancies in the offices of members appointed by the mayor shall be filled by successors appointed by the mayor for the unexpired term.

(5) The county citizen members initially chosen by the county judge shall hold office one of them for two years, the others for terms of four years each. Upon expiration of their respective terms, the successor of each shall hold his office for a term of four years. Vacancies in the office of the appointive county members shall be filled by a successor appointed by the county judge with the approval of the fiscal court for the remainder of the term of office in which the vacancy has occurred.

(6) Where any ex officio member in the employment of the city or county vacates his official position he shall ipso facto vacate

his office as a member of the commission. The terms of the ex officio members shall correspond to their respective official tenures except that the terms of the city and county appointive administrative officials shall terminate respectively, with the terms of the mayor and county judge selecting them. Any incumbent otherwise qualified under this section shall hold office until his successor is chosen and qualified; provided, however, that appointed members may be removed by the appointing authority on written charges after a public hearing.

Section 2. Section 100.350 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commission may prepare and approve a comprehensive plan for the physical development of the whole or any portion of the city of the second class. The comprehensive plan may include a master plan, as defined in KRS 100.046. The commission may adopt the master plan by a majority vote following a public hearing.

(2) The commission may make and adopt other plans and maps of the whole or any portion of the city of the second class, and of any land within the municipal area, and it may make changes in the plans or maps when it deems it advisable.

(3) In the maps or plans the commission may provide among other things for changed regulations of all facilities for traffic, transportation or communication and for new or changed harbors, streets, street fixtures, bridges, subways, parks, playgrounds or any other public grounds or public structures or public improvements or appurtenances, and for the general location and extent of public utilities and terminals whether publicly or privately owned or operated, for water, light, sanitation, transportation, communication, power or other purposes, and for the removal, relocation, widening, narrowing, abandonment or extension of any public ways or works or structures with a view to the systematic planning of the city and its environs.

(4) The commission may make and adopt plans for the control, development and preservation of historical landmarks, for the design and location of statuary and other works of art which are or may become the property of the city or the county, and may make recommendations to any public authorities or to any persons in the city and municipal area concerning the location of any building, structures or works to be constructed by them.

(5) The commission may lay off and establish in the city and municipal area zones or districts of such number, shape and area as the commission believes are best to carry out the purposes of KRS 100.320 to 100.490, and from time to time change zones or districts as to area or boundary or location. The zones or districts shall be designated by maps or plans as well as by boundaries, and

the boundaries may be expressed in general descriptive terms. The commission may make or adopt maps or plans showing the zones or districts, or changes, with appropriate designations and may prescribe and enforce regulations and restrictions on the construction, alteration, repair or use of buildings, structures or land, including the regulation and restriction of the height, number of stories and size of buildings and other structures, the percentage of lots that may be occupied, the size of yards, courts and other open spaces, the density of population and the location and use of buildings, structures and land for trade, industry, residence or other purposes.

(6) All regulations and restrictions shall be uniform for each class or kind of buildings throughout each zone or district, but the regulations or restrictions in one zone or district, may differ from those in other zones or districts.

(7) The commission may enter upon lands and make examinations and surveys for the purpose of exercising its powers.

(8) The commission may make, print and publish and distribute generally copies of any plan, map, report or recommendation made by it.

(9) During the time when the commission is preparing and approving a comprehensive plan for the physical development of the whole or any portion of the city of the second class or the county area, or both, the commission may adopt a temporary interim zoning plan which shall be effective for a period of not more than one year, or until the comprehensive plan is passed into law by the legislative body required to approve same, whichever shall first occur. Said temporary zoning plan shall be made effective by following the procedure outlined in KRS 100.390 through 100.410.

Section 3. Section 100.351 of the Kentucky Revised Statutes is amended to read as follows:

The commission may exercise the same powers in relation to the county area as it has in relation to the city, [and] municipal, *and planning* areas [as provided in KRS 100.350].

Section 4. Section 100.354 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever the commission has adopted the master plan, or any part of the master plan or amendment thereto, of the city and county area or of one or more major districts thereof, no street, square, park, or other public ground, or open space or public building or structure, or public utility, whether publicly or privately owned, shall be constructed or authorized in the city and county area or planned district [which does not conform to the recommendations of the plan] until the location, character and extent thereof has been approved by the commission.

(2) In case of disapproval the commission shall communicate its reasons to the legislative body, which may overrule the disapproval by the recorded vote of not less than a majority of its entire membership. If the public way, ground, space, building, structure or utility is one the authorization or financing of which is not within the jurisdiction of the legislative body, then the submission to the planning commission shall be by the body having jurisdiction and the commission's disapproval may be overruled by such body by a vote of not less than two-thirds of its membership. If the commission fails to act on a proposal within sixty days after submission, approval shall be conclusively presumed.

Section 5. Section 100.355 of the Kentucky Revised Statutes is amended to read as follows:

(1) The lawful use of *a building or premises,* [land for trade, industry or residence, in cities of the second class and in counties containing such a city] existing at the time of the adoption of any zoning regulations *affecting it may be continued* [or restrictions, or at the time of the adjustment or revision thereof, or amendment thereto,] although such use does not conform to the provisions of such [new] regulations [or restrictions], *except as otherwise provided herein* [may be continued].

(2) [The use of a building or structure existing at the time of the adoption of any zoning regulation or restriction, or at the time of any adjustment or revision thereof or amendment thereto, although such use does not conform to the provisions of such new regulations or restrictions, may be continued, and a] *No* nonconforming use [of the building or structure] may be changed to another nonconforming use [of the same or more restricted classification], *or enlarged or extended beyond the scope and area of its operation at the time the regulation is adopted which makes its operation nonconforming.*

(3) Zoning regulations may require the termination of nonconforming uses of buildings or premises either by specifying the period or periods within which they shall be required to cease, or by providing a formula or formulas whereby the compulsory termination of a nonconforming use may be so fixed as to allow for the recovery or amortization of the investment in such nonconforming use.

Section 6. Section 100.360 of the Kentucky Revised Statutes is amended to read as follows:

(1) All plats of the subdivision of lands within the planning area, and all instruments of dedication of land for public use, shall be submitted to the commission and approved by it in writing before they are offered for record or accepted by the legislative body. *The commission may establish special regulations to which subdivision*

plats of no planning significance must conform, and may then authorize its secretary to approve and sign such plats on its behalf whenever such plats conform to the commission's special regulations. The approval of the commission shall not be deemed the legislative body's acceptance of the dedication of any street or other public ground shown on the plat or set forth in the instrument.

(2) No street or other public ground shown on a subdivision plat of land within the planning area shall be accepted by the city or county unless the plat and location have been approved by the commission. The legislative body may submit to the commission an ordinance proposing to accept the dedication of any unapproved street or ground, and, if approved by the commission, the city or county may accept the dedication by a majority vote of its legislative body, or, if disapproved by the commission, the dedication may be accepted by a vote of not less than two-thirds of the legislative body.

(3) All plans, maps, regulations, and restrictions adopted by the commission shall be made in accordance with a comprehensive design to promote the public health, safety, morals or general welfare, by lessening congestion in the streets or by securing safety from fire, panic or other dangers, or by providing adequate light and air, or by preventing overcrowding of land, or by avoiding the undue concentration of population, or by facilitating the adequate provision of transportation, water, sewerage, schools, parks, playgrounds or other public requirements. All regulations and restrictions shall be made with reasonable consideration of the character of each zone or district affected, and its peculiar suitability for particular uses.

Section 7. Section 100.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) The legislative body shall provide for the expenses and accommodations necessary for the work of the commission, and may levy a tax for that purpose if necessary. *The commission may also accept and utilize any funds, personnel or other assistance made available by the city, county, state or federal government, or private sources, and may enter into agreements of contracts regarding the acceptance or utilization of such funds or other assistance.*

(2) The annual expenditure of [public] funds by the commission shall be limited to the amounts appropriated, *or otherwise received,* for each fiscal year. The fiscal year shall conform to the fiscal year of the city.

Section 8. Section 100.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each city of the second class shall have a board of adjustment, consisting of *five* [seven] members. *Five* [four] members of the board of adjustment shall be appointed by the mayor, each for

a term of four years, except that, in case of those first appointed, two members shall be appointed for a term of *four* [two] years, and two members [shall be appointed] for a term of *three* [four] years *and one member for a term of two years.* The remaining member of the board of adjustment shall be appointed for a term of four years by the fiscal court. All members of the board of adjustment shall serve without compensation.

(2) Any member of the board may be removed by the appointing authority for cause, on written charges after public hearing. Vacancies shall be filled by the appointing authority for the unexpired term.

Section 9. Section 100.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board of adjustment may:

(a) Adopt rules and regulations for its own government, not inconsistent with any law, city ordinance, or order or resolution of the fiscal court, with reference to the plans under consideration by the board;

(b) Hear and decide appeals and applications for special exceptions;

(c) Authorize, upon application for variance, such variances from the terms of the ordinance or of any plans, rules, or regulations made thereunder, as will not be contrary to the public interest, where a literal enforcement of the provisions of the ordinance, plans, rules or regulations would result in unnecessary hardship, and so that the spirit of the ordinance shall be observed and substantial justice done.

(2) In exercising its powers, the board may reverse, affirm or modify an order or decision of an administrative official.

(3) The board of adjustment shall have the same powers in the county area as it has in the city or municipal area.

HB 8, AN ACT relating to the organization and government of cities of the sixth class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 88.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board of trustees shall meet on the first Monday in January next succeeding the election of its members, and shall elect one of its number chairman. The board shall hold regular meetings once a month, at a time fixed by ordinance. Special meetings may be called at any time by the chairman or by three members, by written

notice delivered at least three hours prior to the time specified for the proposed meeting. All meetings shall be held [within the city limits] at a place designated by ordinance, and shall be public. *Such meeting place shall be within the city limits, except that, if there is no suitable meeting place available within the city limits the city legislative body may by ordinance designate as its meeting place a building outside the city limits which is both suitable and available for use as a meeting place and is closest to the city limits. "Available" means available at such time and on such days as the city legislative body may designate for its regular meetings, at no rental or at a rental which shall be reasonable and prudent in terms of the cities' current budget.*

(2) A determination by the city legislative body that a particular building, whether within or without the city limits, is either unsuitable or unavailable as a meeting place, or both, shall constitute prima facie evidence as to its correctness. Such determination may be attacked in any manner otherwise proper; but if any court should hold such determination to be incorrect, such holding shall apply only to acts of the legislative body that become final after the holding becomes final, and no act of the city legislative body shall be held to be invalid, void, or otherwise ineffective solely on the ground that such determination was incorrect.

(3) [(2)] At any meeting of the board of trustees a majority of the members shall constitute a quorum, but a less number may adjourn from time to time and compel the attendance of absent members under penalties prescribed by ordinance. The chairman shall preside at all meetings of the board, and may vote as other members. If the clerk is absent the chairman shall appoint one of the members of the board clerk pro tem.

HB 55, AN ACT relating to city licenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 85.220 of the Kentucky Revised Statute is amended to read as follows:

No license authorized to be issued by the common council shall be issued for a longer period than one year, and all licenses, *except licenses issued pursuant to the provisions of KRS 243.070,* may expire on *December 31* [April 30] in each year.

Section 2. Whereas, many cities of the third class in this Commonwealth ordinarily plan to amend their occupational license ordinances under the existing law prior to May first, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

Committee on Municipalities reported **SB 33** with the expression of opinion that the same should pass with Committee Amendment attached thereto. Said Committee Amendment to **SB 33** is as follows:

Amend printed copy of Senate Bill 33 on page 3, lines 21, 22, 23, by: deleting the following:

"Revenue not exceeding five hundred thousand dollars remaining after meeting the requirements of this section shall be credited to the General Fund of the city annually."

Senate Bill 33, on page 3, line 24 by deleting the bracket ([ )

Senate Bill 33, on page 3, line 28 by deleting the words "five million" and substituting in lieu thereof the words "five million five hundred thousand"

Senate Bill 33, on page 5, line 10, by deleting the bracket after the word "Statutes."

Senate Bill 33, on page 5, by deleting all of lines 11 through 19 and substituting in lieu thereof the following:

"(6) Ad valorem taxes for the benefit of the sinking fund shall not be levied unless the income of the sinking fund is otherwise insufficient to meet such requirements.

(7) Licenses shall be issued and enforced on such terms and conditions as may be prescribed by ordinance.

(8) If any section, paragraph, clause or provision of this statute shall be held invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any of the remaining provisions."

SB 33 read at length for the first time and ordered placed in the Calendar.

SB 33, AN ACT relating to finance and revenue of cities of the first class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 91.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board of aldermen of every city of the first class, in addition to levying ad valorem taxes, may by ordinance impose license fees on franchises, provide for licensing any business, trade, occupation or profession, and the using, holding, or exhibiting of any animal, article, or other thing. License fees on such business, trade, occupation or profession for revenue purposes may be imposed at a percentage rate or rates not to exceed those hereinafter set forth on (a)

salaries, wages, commissions and other compensations earned by every person within the city for work done and services performed or rendered in the city (all of such being hereinafter collectively referred to as "wages"), and (b) the net profits of all businesses, professions, or occupations from activities conducted in the city (hereinafter collectively referred to as "net profits"). Licenses imposed for regulatory purposes shall not be subject to such limitations as to form and amount. No company that pays ad valorem tax and a franchise tax shall be required to pay a license tax, and no license tax shall be imposed upon or collected from any bank, trust company, combined bank and trust company or combined, trust, banking and title business in this state, or in other case where the city is prohibited by statute from imposing a license tax.

(2) The rate or rates fixed may be in accordance with either of the following plans:

(a) a rate on both "wages" and "net profits" of not to exceed one percent; or

(b) a rate on both "wages" and "net profits" of one and one-fourth percent.

Provided, however, that the authorization granted by this section with respect to plan (b) shall expire as of December 31, 1958; provided further that, prior to said expiration date, the board of aldermen may by ordinance impose a rate of one and one-fourth percent for an indeterminate period of time, but no such ordinance shall go into effect until the expiration of thirty days after its passage. If during the thirty days next following the passage of such ordinance, a petition signed by a number of constitutionally qualified voters equal to fifteen percent of the votes cast in the city at the last preceeding general election, stating the residence of each signer, and verified as to signatures and residences by the affidavits of one or more persons is presented to the board of aldermen protesting against passage of such ordinance, the ordinance shall be suspended from going into effect and shall be reconsidered by the board of aldermen. If the ordinance is not then repealed, the board shall submit to the voters of the city, at a regularly scheduled election or at an election held for that purpose prior to January 1, 1959, the question as to whether a rate of one and one-fourth percent shall be levied. The question shall be so framed that the voter may by his vote answer "for" or "against." If a majority of the votes cast upon the question oppose its passage, the ordinance shall not go into effect. If a majority of the votes cast upon the question favors its passage the ordinance shall go into effect as of January 1, 1959.

(3) License fees or taxes shall be collected by the commissioners of the sinking fund. The proceeds from such taxes shall be paid to

the secretary and treasurer of the sinking fund until income from all sources of the sinking fund shall be sufficient to pay the costs of administration and the interest charges for the current fiscal year of the sinking fund, in addition to a sum sufficient to amortize the outstanding principal indebtedness of the city on a yearly basis in accordance with regularly used amortization tables. *Revenue not exceeding five hundred thousand dollars remaining after meeting the requirements of this section shall be credited to the General Fund of the city annually.*

[(4) Revenues remaining after meeting the foregoing requirements shall be transferred to the city. Such revenues shall be credited to the general fund of the city as received until such receipts during the fiscal year of the city shall reach the sum of five million dollars. Any revenues in excess of said amount received during the fiscal year of the city shall be placed in an account designated "Special Capital Fund Account" and expended for capital improvements as hereinafter defined; provided, however, fifty percent of the revenues so deposited to such Special Capital Fund Account during each fiscal year (commencing with the fiscal year in which this section shall become effective), or any lesser amount remaining in said fund at the end of each fiscal year, may be transferred to the general fund of the city at the beginning of the succeeding fiscal year; provided further, that whenever the unencumbered balance remaining in said Special Capital Fund Account exceeds one million dollars at the beginning of any fiscal year such excess may be transferred to the general fund of the city; provided, further, that funds from the Special Capital Fund Account may be encumbered for purposes other than capital improvements only after transfer to the general fund.

(5) The term "capital improvements" as used in this section shall be limited to additions or improvements of a substantial and permanent nature and services rendered in connection therewith, and shall include but not be limited to (a) the purchase of rights-of-way for highways, expressways and the widening of existing streets, (b) the purchase of lands for parks, recreational and other governmental facilities and for public off-street parking facilities, (c) the purchase, construction, reconstruction, renovation or remodeling of municipal buildings and facilities, (d) the replacement of machinery, wires, pipes, structural members or fixtures and other essential portions of municipal buildings, (e) the initial equipment of any newly-acquired facility wherein any essential governmental function of the municipality may be located or carried on, (f) the purchase and installation of traffic control devices and fire alarm equipment, (g) the reconstruction and resurfacing, but not routine maintenance, of streets and other public ways, (h) the acquisition of motorized equipment purchased as additions to, but not replacements for, existing equipment,

and, (i) engineering and other costs incurred by the city in connection with the construction of public improvements financed under a special assessment plan or plans authorized in Chapter 93 of the Kentucky Revised Statutes.]

(4) [6] Ad valorem taxes for the benefit of the sinking fund shall not be levied unless the income of the sinking fund is otherwise insufficient to meet such requirements.

(5) [7] Licenses shall be issued and enforced on such terms and conditions as may be prescribed by ordinance.

(6) [8] If any section, paragraph, clause or provision of this statute shall be held invalid, the invalidity of such section, paragraph, clause, or provision shall not affect any of the remaining provisions.

Committee on Criminal Law reported **HB 152, HB 210** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 152, AN ACT relating to offenses against persons.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any person who causes the death of a human being by an act creating such extreme risk of death or great bodily injury as to manifest a wanton indifference to the value of human life according to the standard of conduct of a reasonable man under the circumstances shall be guilty of involuntary manslaughter in the first degree and shall be confined in the penitentiary for not less than one nor more than fifteen years.

Section 2. Any person who causes the death of a human being by reckless conduct according to the standard of conduct of a reasonable man under the circumstances shall be guilty of involuntary manslaughter in the second degree and shall be imprisoned in the county jail for a term not exceeding twelve months or fined a sum not exceeding five thousand dollars or both.

HB 210, AN ACT relating to crime.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 433.220 of the Kentucky Revised Statutes is amended to read as follows:

Any person guilty of larceny of money or other property of the value of *one hundred* [twenty] dollars or more shall be confined in the penitentiary for not less than one nor more than five years. Any person who unlawfully takes, drives or operates a vehicle without the knowledge and consent of the owner shall be subject to the same punishment.

Section 2. Section 433.230 of the Kentucky Revised Statutes is amended to read as follows:

Except where a different penalty is prescribed by law with respect to specific kinds of property, any person guilty of the larceny of money or other property of less value than *one hundred* [twenty] dollars shall be imprisoned for not less than one nor more than twelve months[.] *or fined not less than fifty dollars nor more than five hundred dollars.*

Committee on Judiciary and Judicial Council reported **SB 2** with the expression of opinion that the same should pass by way of committee substitute. Read at length for the first time and ordered placed in the Calendar.

SB 2, AN ACT relating to Communists.

WHEREAS, Communism has as one of its concepts, the abolishment of private property; and

WHEREAS, it advocates the overthrow, by force, and otherwise, all democratic governments; and

WHEREAS, it seeks world revolution to accomplish a police state, and one which holds its people in subjection; and

WHEREAS, communism is opposed, in principal and in practice, to freedom of speech, freedom of the press and political freedom; and

WHEREAS, communism, as practiced in Soviet Russia, in China and in other communistic nations of the world, exploits its citizens and their resources, for the benefit of a Soviet Union; and

WHEREAS, our system of government is opposed in principal and in practice, to the theory, methods and objectives of the Communist Party,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Any person duly and legally convicted in a court of law of being a communist may by an order of such court be deprived of all rights and privileges of a citizen of this Commonwealth.

House Message

Announcing passage of **HB 74, HB 118, HB 169, HB 262, HB 280, HB 282, HB 294, HB 318, HB 370, SR 19, HR 54, SR 44.**

Calendar

SB 143, SB 220 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

HB 234 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 234.** Agreed.

On roll call, the vote was yeas 32—Bishop, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 2—Kinkead, Overbey.

HB 234 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 234** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Ware moved that **SB 113** be recommitted to the Committee on Higher Education. Agreed.

HB 145 taken from Orders of the Day, with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Bishop moved the adoption of the Committee Amendment to **HB 145.** Agreed.

Senator Bishop moved the Previous Question on **HB 145**, as amended. Agreed.

On roll call, the vote was yeas 28—Bishop, Bonn, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Turner, Ware, White. Nays 0.

HB 145 was passed and the title agreed to.

Senator Bishop moved that the vote by which **HB 145** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 54 taken from Orders of the Day, with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Gardner moved the adoption of the Committee Amendment to **SB 54.** Agreed.

Senator Gardner moved the Previous Question on **SB 54,** as amended.

On roll call, the vote was yeas 28—Bishop, Bonn, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 1—Kinkead.

SB 54 was passed and the title agreed to.

Senator Gardner moved that the vote by which **SB 54** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 181 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **SB 181.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 1—Logan.

SB 181 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 181** was passed be reconsidered and that said motion be laid on the table.

HB 86 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Bishop moved the Previous Question on **HB 86.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

HB 86 was passed and the title agreed to.

Senator Bishop moved that the vote by which **HB 86** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 118 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 118.** Agreed.

Senator Overbey moved that **SB 118** be laid on the Clerk's desk subject to be taken up at any time. Agreed.

SB 81 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Logan moved the Previous Question on **SB 81.** Agreed.

On roll call, the vote was yeas 17—Buckman, Craft, Duncan, Fuqua, Gardner, Garrett, Kidwell, Kinkead, Logan, McGinty, Mann, Miller, Nichols, Palmer, Swope, Ware, White. Nays 10—Bishop, Blue, Bonn, Conley, Duffy, Garnett, Hickerson, Howard, McCann, Overbey.

SB 81 was passed and the title agreed to.

Senator Logan moved that the vote by which **SB 81** was passed be reconsidered and that said motion be laid on the table. Agreed.

The President Pro Tem vacated the chair, the President presiding.

Orders of the Day

HB 5 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Martin moved the Previous Question on **HB 5.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Swope, Ware, White. Nays 0.

HB 5 was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 196, HB 85, HB 102** had been examined and found correctly enrolled. **HB 196, HB 85, HB 102** read at length, compared, and signed in open session by the President. **HB 196, HB 85, HB 102** ordered delivered to the House.

Senator Kinkead moved that the Rules be suspended for the purpose of giving a committee report. Agreed.

Report of Committee

Committee on Criminal Law reported **SB 125** with the expression of opinion that the same should pass by way of committee substitute. Read at length for the first time and ordered placed in the Calendar.

SB 125, AN ACT relating to the disclosure of information by an employe received in the course of his employment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No person, having obtained or derived information from the books of account or from records, papers, plans, drawings, blueprints, research data or files belonging to, or in the custody of his employer shall publish, circulate or in any manner disclose such information with the intent to aid a competitor without the consent of such employer or aid or encourage such publication, circulation or disclosure or threaten to publish or circulate or disclose, or to aid or encourage such publication, circulation or disclosure. No person, with the intent of aiding a competitor, shall procure or bribe, or attempt to bribe, another person to disclose information obtained in the course of employment of such other person, or derived from the books of account, records, papers, plans, drawings, blueprints, research data or files belonging to, or in the custody of such other persons employer. No person shall purchase any book of account, record, papers, plans, drawings, blueprints, research data or files belonging to the employer of another person, with intent to use, or cause to be used, the same or the information contained therein, in competition with the employer of such other person.

Section 2. Nothing contained in this Act shall be deemed to be in derogation of the provisions of KRS 421.100, or to abridge or restrain in any way, the freedom of the press.

Section 3. Any person who violates any provision of this Act shall be fined not less than fifty nor more than five hundred dollars or imprisoned for not more than six months, or both.

Orders of the Day

SB 191 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Martin moved the Previous Question on **SB 191.** Agreed.

On roll call, the vote was yeas 25—Blue, Bonn, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kidwell, Kinkead, Logan, McGinty, Mann, Martin, Miller, Nichols, Palmer, Swope, Ware, White. Nays 0.

SB 191 was passed and the title agreed to.

Senator Martin moved that the vote by which **SB 191** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 122 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols offered Amendment #1 to **HB 122** and moved its adoption. Agreed.

Amendment #1 to **HB 122** is as follows:

Amend printed copy of House Bill 122 on page 2, line 10 by capitalizing the word "department" and inserting between the words "department" and "for", the words: "of Agriculture, Labor and Statistics."

Senator Nichols offered Amendment #2 to **HB 122** and moved its adoption. Agreed.

Amendment #2 to **HB 122** is as follows:

Amend printed copy of House Bill 122 on page 7, line 8, by deleting the words "personal taxable property" and inserting in lieu thereof the words "tangible personal property subject to full local tax rates."

Senator Nichols moved the Previous Question on **HB 122**, as amended. Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Hehl, Howard, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Swope, Ware, White. Nays 0.

Senator Miller moved to amend the title to **HB 122** and that it be known as the Frederick E. Nichols, Hahn, Frymire, Ashby, Hale, Render Mosquito Control Bill. Agreed.

HB 122 was passed and the title agreed to.

Senator Nichols moved that the vote by which **HB 122**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Ware moved that the Rules be suspended for the purpose of introducing bills.

Introduction of Bills

SB 295, by Senator Ware: AN ACT relating to the Department of Law.

SB 296, by Senator Ware: AN ACT relating to the Attorney General.

SB 297, by Senator Ware: AN ACT relating to the Department of Law.

SB 298, by Senators Kinkead and Howard: AN ACT relating to political advertising.

Senator Ware moved that the Senate adjourn until 2 p.m., Monday, February 26. Agreed.

MONDAY, FEBRUARY 26, 1962

FORTY-FOURTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers, Pastor of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Conley and Derickson, who were granted leave of absence on motion of Senator McCann.

Reading of the Journal for February 21 dispensed with and the same approved on motion of Senator McCann.

Recess

Senator Miller moved that the Senate recess for a period of five minutes. Agreed.

At the appointed hour the President resumed the chair.

Senator Overbey moved that the Senate recess until seven p.m., for the purpose of hearing Senator Clements' testimony before the Investigating Committee.

Senator Martin seconded Senator Overbey's motion. Senators Overbey and Martin requested a roll call on Senator Overbey's motion. Agreed.

On roll call, the vote was yeas 18—Bishop, Blue, Duncan, Edwards, Fuqua, Gardner, Hickerson, Howard, Johnson, Kelly, Kiser, Logan, McGinty, Mann, Martin, Miller, Overbey, Swope. Nays 14—Bonn, Brand, Buckman, Cobb, Craft, Duffy, Garnett, Hehl, Kidwell, Kinkead, Nichols, Palmer, Turner, Ware.

Senator Overbey moved that the Senate effectuate his previous motion.

Senator Kidwell moved to amend Senator Overbey's motion to recess until 1:00 p.m., February 27.

The President ruled Senator Kidwell's motion out of order and announced the Senate in recess until 7:00 p.m.

The President resumed the chair.

Introduction of Bills and Resolutions

SB 299, by Senator Duffy: AN ACT relating to condemnation of property for construction, reconstruction and maintenance of highways, bridges and facilities relating thereto.

SB 300, by Senator Hehl: AN ACT relating to embalmers and funeral directors.

SB 301, by Senator Kelly: AN ACT relating to civil service employment in cities of the second and third class.

SB 302, by Senator Ware: AN ACT relating to elections for bond issues for school sites and buildings, and declaring an emergency.

SB 303, by Senator Buckman: AN ACT relating to traffic regulations.

SB 304, by Senator Buckman: AN ACT relating to sewer construction districts and providing an alternate method of financing.

SB 305, by Senator Garrett: AN ACT relating to the rights of an arrested person.

SB 306, by Senator Garrett: AN ACT relating to punishment on second and third conviction of felony.

SB 307, by Senator Garrett: AN ACT relating to the fixing of punishments in capital offenses.

SB 308, by Senator Buckman: AN ACT relating to water districts.

SB 309, by Senator Hickerson: AN ACT to authorize the legislative boards or councils of cities to merge functions of their police and fire departments.

SR 46, by Senators McGinty and Miller: A CONCURRENT RESOLUTION requesting the Legislative Research Commission to make a study of organization and management services.

SR 47, by Senator Gardner: A RESOLUTION relating to the Joint Committee on State Government Operations.

Senator Gardner moved the adoption of **SR 47.** Agreed.

RESOLUTION

A SENATE RESOLUTION RELATING TO THE JOINT COMMITTEE ON STATE GOVERNMENT OPERATIONS.

WHEREAS, the Joint Committee on State Government Operations has an obligation to maintain its own dignity, as well as the dignity of the General Assembly of the Commonwealth of Kentucky, by evidencing a sense of fair play; and

WHEREAS, this Committee in one hearing or investigation permitted a witness to present his evidence through questions asked of him by his attorney; and

WHEREAS, a former Governor and former United States Senator was not accorded this privilege; and

WHEREAS, this Committee has changed its own rules to comply with its own desires and from this action it indicates to the people of Kentucky that this Committee is attempting to delay the ascertainment of all the facts pertaining to the TRUCK DEAL.

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Joint Committee on State Government Operations be requested to proceed without delay to conduct a fair and impartial investigation by conducting its hearings with a policy that is consistent in all cases and with all witnesses in accordance with procedures it has previously adopted.

Report of Committees

Committee on Kentucky Statutes #2 reported **SB 163**, with the expression of opinion that the same should pass by way of committee substitute. Committee Substitute for **SB 163** read at length for the first time and ordered placed in the Calendar.

SB 163, AN ACT relating to motor vehicle tractor and semi-trailer units.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Motor vehicle tractor and semi-trailer units exclusively engaged in the transportation of motor vehicles, unmanufactured tobacco, or unmanufactured tobacco products, may, on those highways which are a part of the state maintained system, and which have been designated by the Commissioner of Highways by official order as safely allowing same, attain a maximum length of fifty-five feet, excluding the usual and ordinary bumper overhang of the transported vehicles.

Committee on Regulation of Intoxicating Liquors reported **SB 116**, **SB 71**, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 116, AN ACT relating to alcoholic beverages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 243.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) A distributor's license shall authorize the licensee to purchase, import or store malt beverages and to sell them only, from the licensed premises, to other distributors, [or] to licensed retailers, *to*

any of its employes for home consumption and also to charitable or fraternal organizations holding group meetings, picnics or outings.

(2) A distributor shall transport malt beverages only by a vehicle owned, rented or leased and operated by himself, which has affixed to its sides at all times a sign of form and size prescribed by the state board, containing among other things the name and license number of the licensee. No distilled spirits or wine shall be transported on the same truck or vehicle with malt beverages, except by a common carrier.

(3) [(2)] A distributor's license must be obtained for each separate warehouse, agent, distributor, broker, jobber or place of business from which orders are received or beverages are distributed unless it is a licensed brewery.

SB 71, AN ACT relating to title to contraband alcoholic beverages, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 244.195 of the Kentucky Revised Statutes is amended to read as follows:

(1) Title to contraband included in subsections (3), (4) and (5) of KRS 244.180 seized in a dry territory shall be vested in the Alcoholic Beverage Control Board, irrespective of whether such contraband was seized by peace officers of the city or county or state administrators or field representatives of the department, *notwithstanding the provisions of KRS 242.380.*

(2) The Alcoholic Beverage Control Board shall cause a sale of such contraband as is included in subsection (1) *of this Act* to be made and shall, after deducting the expense of transporting and selling such contraband, return one-half the proceeds of such sale to the proper authorities of the city or county in which such seizure was accomplished solely by the peace officers of the city or county where such seizure occurred. The remaining one-half shall be paid to the State Treasury and shall be credited to the General Fund. Where the evidence for the seizure of such contraband is obtained by the state administrators or field representatives of the department, the Alcoholic Beverage Control Board shall cause a sale of such contraband to be made and shall pay all the receipts to the State Treasury and be credited to the General Fund.

Section 2. *Whereas, under present statutes state and local governments often realize no gain from the sale of alcoholic beverage contraband seized in dry territory;*

Whereas, the sale of such contraband could provide a source of much needed additional revenue; and

Whereas, sizeable stocks of contraband alcoholic beverages are now being held by state and local governments, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

Committee on Kentucky Statutes #2 reported **HB 248** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 248, AN ACT relating to motor vehicles and revenue and taxation thereof and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 281.605 of the Kentucky Revised Statutes is amended to read as follows:

[(1)] The provisions of this chapter shall not apply, except as to the safety regulations, to:

[(a)] *(1)* Motor vehicles used as school buses and while engaged in the transportation of students, under the supervision and control and at the direction of school authorities;

[(b)] *(2)* Motor vehicles, regardless of ownership, used exclusively:

[1.] *(a)* For the transportation of agricultural and dairy products, including fruit, livestock, meats, fertilizer, wood, lumber, cotton, products of grove or orchard, poultry and eggs, while owned by the producer of the products, including landlord where the relation of landlord and tenant or landlord and cropper is involved, from the farm to a market, warehouse, dairy or mill, or from one market, warehouse, dairy or mill to another market, warehouse, dairy or mill; or

[2.] *(b)* For the transportation of agricultural and dairy products, livestock, farm machinery, feed, fertilizer, and other materials and supplies essential to farm operation, from market or shipping terminal to farm; or

[3.] *(c)* For both the purposes described in subparagraphs (a) and (b) of this paragraph; or

[4.] *(d)* For the transportation of agricultural and dairy products from farm to regularly organized fairs and exhibits and return.

[(c)] *(3)* Motor vehicles used exclusively as church buses and while operated in the transportation of persons to and from a church or place of worship or for other religious work under the supervision and control and at the direction of church authorities;

[(d)] *(4)* Motor vehicles used exclusively in transporting materials, supplies and equipment for the construction, reconstruction or maintenance of any public highways, road or street in this state;

[(e)] *(5)* Motor vehicles used exclusively for the transportation of property belonging to a nonprofit cooperative association or its members where the vehicle is owned or leased exclusively by the association;

[(8)] *(6)* Motor vehicles owned in whole or in part by any person and used by such person to transport petroleum products and those incidental supplies used or sold in connection with the wholesale or retail sale of such petroleum products of which petroleum products or incidental supplies, such person is the owner, lessee, consignee, or bailee; provided, however, that such transportation is for the purpose of sale, lease, rent or bailment, and is an incidental adjunct to an established private business owned and operated by such person in the furtherance of any commercial enterprise other than the business of transportation of property for hire;

[(g)] *(7)* Motor vehicles used in pick-up or delivery service within a city or within a city and its commercial area for a carrier by rail;

(8) Motor vehicles used exclusively for the transportation of coal from the point at which such coal is mined to a railhead or tipple where such railhead or tipple is located at a point not more than fifty air miles from the point at which such coal is mined. The owner or operator of a motor vehicle used as set out in this subsection who had, prior to the effective date of this section, paid to the Department of Motor Transportation the annual excise tax due under KRS 281.810 for the year 1962, shall be entitled to a refund of the amount so paid. The application for such refund shall be made to the Department of Motor Transportation, together with such evidence of payment as the department may prescribe, and if the department authorizes the refund, the Department of Finance shall draw a warrant upon the State Treasury in favor of the said owner or operator and charge the amount thereof to the State Road Fund.

Section 2. Section 186.058 of the Kentucky Revised Statutes is amended to read as follows:

[Notwithstanding any provision of KRS 186.055 or 281.810, any person owning a truck with a gross weight of 39,001 pounds or more that is used solely for hauling coal within a radius of fifty miles shall not be required to pay any additional fee in excess of $300. Any person desiring to register a coal truck whose gross weight exceeds 39,000 pounds under the provisions of KRS 186.055, or 281.810 shall file with the county clerk, or the Department of Motor Transportation, as the case may be, an affidavit stating that the truck is used exclusively for hauling coal within a radius of fifty miles, that he has caused to be printed upon each side of the bed of the truck the words "Coal Truck" in conspicuous letters not less than three inches in height, and that during the period of registration the truck will be used only for the purpose stated, and any other information which the Department of Revenue, or the Department of Motor Transportation, may require.]

Motor vehicles registered under Subsection (3) of KRS 186.050, which are used exclusively for the transportation of coal from the point at which such coal is mined to a railroad or tipple, where such railhead or tipple is located at a point not more than fifty air miles from the point at which such coal is mined, shall not be required to pay the fee as set out in KRS 186.055 (1). The applicant's signature upon the registration receipt shall constitute a certification that the motor vehicle will not be used during the current registration period in any manner other than that for which exemption is provided herein, and that there has been printed conspicuously on each side of the vehicle, in letters of distinctive color, at least three inches in height, the name of the owner and the words, "coal truck." The owner of a vehicle used as set out in this subsection who had, prior to the effective date of this section, paid the fee as set out in KRS 186.055 (1) for the calendar year 1962, shall be entitled to a refund of the amount so paid, and the application for such refund shall be made in the manner prescribed in KRS 186.120 (2).

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Operation of a commercial vehicle at a gross weight in excess of the declared gross weight at which such vehicle is registered under KRS 186.050 (3), notwithstanding any of the provisions of KRS 186.055 (5), 281.814 or the exemption provided in KRS 186.058 for coal trucks, shall make any owner or operator, otherwise entitled to such exemption, ineligible for same for the entire license year.

(2) The Department, upon receipt of information substantiated by affidavit, that any owner or operator is operating a motor vehicle in excess of the gross weight at which it is registered under KRS 186.050 (3), may issue notice to such owner or operator advising that he is ineligible for such exemption or, if the exemption has been previously granted, that same is revoked for the current license year. Within thirty days of the date of the issuance of such notice any affected owner or operator may request a hearing before the Department to be conducted in accordance with the provisions of KRS Chapter 281 and the rules and regulations adopted thereunder. Failure to request a hearing within thirty days of the date of the issuance of such notice shall make the ruling absolute and the owner or operator shall be liable for the payment of the fees applicable under KRS 186.050, 186.055 and 281.810 for the entire license year.

(3) In the event a hearing is requested in accordance with the provisions of (2) hereof, the owner or operator shall not be entitled to the exemption during the interim between the application for hear-

ing and the Department's determination, unless he shall file with the Department a bond in the amount of $500.00 per vehicle to be applied to the payment of any taxes which the Department, as a result of such hearing, may determine are due the Commonwealth.

(4) The question for determination at any hearing held at the request of an owner or operator receiving such notice from the Department shall be whether or not such owner or operator has operated a commercial vehicle in excess of the declared gross weight at which it is registered under KRS 186.050 (3). The burden of proof shall be upon the Department to show such unlawful operation. Any final determination of the Department shall be subject to appeal to the Franklin Circuit Court and to the Court of Appeals in accordance with the provisions of KRS 281.780 and 281.785, and any bond posted with the Department shall be held pending the judgment of the highest court to which the matter is appealed.

Section 4. Subsection (5), and Subsection (5), only, of Section 186.050 of the Kentucky Revised Statutes is amended to read as follows:

[(5) Any farmer owning a truck having a gross weight of 24,000 pounds or less may have it registered as a farmer's truck and obtain a license for $4.50 by filing with the, in addition to other information required, an affidavit stating that he is a farmer engaged solely in the production of crops, livestock or dairy products, that he owns a truck of the gross weight of 24,000 pounds or less, that he has caused to be printed upon each side of the bed of the truck the words "Farmer's Truck" in conspicuous letters not less than three inches in height, and that during the next twelve months the truck will be used only in transporting persons, food, provender, feed and machinery used in operating his farm and the products grown on his farm.]

(5) Any farmer owning a truck having a gross weight of 24,000 pounds or less may have it registered as a farmer's truck and obtain a license for $4.50. The applicant's signature upon the registration receipt shall constitute a certification that he is a farmer engaged solely in the production of crops, livestock or dairy products, that he owns a truck of the gross weight of 24,000 pounds or less, that he has caused to be printed upon each side of the truck the words "Farmer's Truck" in conspicuous letters not less than three inches in height, and that during the next twelve months the truck will be used only in transporting persons, food, provender, feed and machinery used in operating his farm and the products grown on his farm.

Section 5. Section 218.790 of the Kentucky Revised Statutes is amended to read as follows:

At the instance of the Department of Motor Transportation or of any person having an interest in the subject matter, the courts of this State may enjoin any person from violating any of the provisions of this chapter [relating to common carriers or contract carriers] *or other chapters relating to the operation or taxation of motor vehicles,* or any order, rule, regulation or requirement of the Department relating to such [carriers] *vehicles.*

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

Any person who is a non-resident of the Commonwealth of Kentucky and who operates any motor vehicle as defined in KRS 281.011 (2) not entitled to exemption from the payment of the fees imposed by KRS 186.055 or 281.810, by reason of the terms of a reciprocal agreement existing between the Commonwealth of Kentucky and the state in which such vehicle is licensed, may, in lieu of the payment of the fees imposed by KRS 186.055 or 281.810, obtain from the Department of Motor Transportation a temporary permit. Under regulations adopted by the Department of Motor Transportation application for such a temporary permit shall be made and such permits shall be issued for a specified period not exceeding ten days, and each such permit shall be issued for a specific vehicle upon the payment of a fee of $25.00 for each such permit.

Section 7. *Whereas certain geographic sections of the Commonwealth suffer from depressed economic conditions, and the tax relief afforded hereby is necessary in the public interest, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.*

Committee on Kentucky Statutes #1 reported **HB 241, SR 28, SB 225, SB 218, SB 211** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 241, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) The Department of Public Safety shall purchase, out of state funds, policies of insurance of all kinds deemed advisable covering state police vehicles operated by members of the state police when in the conduct of official business.

(2) Policies authorized by this Act shall be purchased only from insurers authorized to do business in this state and shall be countersigned by a licensed resident agent.

SR 28, A JOINT RESOLUTION appropriating funds to the Commission on Public Education.

WHEREAS, the Commonwealth has great need for the services of the Commission on Public Education during the next two fiscal years; and

WHEREAS, funds for the operation of the commission were not appropriated in the General Appropriations Act;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

1. That the Commission on Public Education continue unabated its operations during the next two fiscal years.

2. That there is hereby appropriated to the Commission on Public Education the amount of $75,000 for each of the fiscal years 1962-63 and 1963-64.

SB 225, AN ACT relating to the salaries of school officers and employees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.600 of the Kentucky Revised Statutes is repealed.

Section 2. Whereas it has become increasingly difficult to obtain and retain qualified persons to serve as school officers and employees because of the salary limitation imposed by Section 64.600 of the Kentucky Revised Statutes, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

SB 218, AN ACT relating to the disposition of unclaimed property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Kentucky Revised Statute 393.010 is amended to read as follows:

(1) As used in this chapter, unless the context requires otherwise:

(a) "Banking organization" means any bank, trust company, savings bank, industrial bank, land bank, safe deposit company, or a private banker engaged in business in this state;

(b) "Business association" means any corporation, joint stock company, business trust, partnership, or any association for business purposes of two or more individuals;

(c) "Financial organization" means any savings and loan association, building and loan association, credit union, cooperative bank or investment company, engaged in business in this state;

(d) "Life insurance corporation" means any corporation or association transacting within this state the business of insurance on the lives of persons or insurance appertaining thereto, including, but not by way of limitation, endowments and annuities;

(e) "Claim" means to demand payment or surrender of property from the person whose duty it is to pay the claimant, or surrender to him the property involved;

(f) "Commissioner" means the Commissioner of Revenue;

(g) "Department" means the Department of Revenue;

(h) "Person" means any individual, state or national bank, partnership, joint stock company, business, trust, association, corporation, or other form of business enterprise, including a receiver, trustee or liquidating agent.

(2) This chapter does not apply to bonds of counties, cities, school or other tax levying subdivisions of this state *or to any money, funds or other intangible property at any time held or owing for any minerals or other raw materials capable of being used for fuel in the course of manufacturing, processing, production, or mining. The provisions of this paragraph shall be effective retroactively to all such moneys, funds or other intangible property held or owing by any person on June 1, 1960 or thereafter.*

Section 2. Kentucky Revised Statute 393.090 is amended to read as follows:

Except as otherwise provided in KRS 393.010, all intangible property not otherwise covered by this Act, including any income or increment thereon and deducting any lawful charges, that is held or owing in this state by any person and has remained unclaimed by the owner for more than seven years after it became payable or distributable is presumed abandoned.

Section 3. Kentucky Revised Statute 393.110 is amended to read as follows:

(1) Every person holding funds or other property, tangible or intangible, presumed abandoned under this chapter shall report to the department with respect to the property annually as of July 1. The report shall be filed in the office of the department on or before September 1 of each year for the preceding July 1, and shall give the name of the owner, his last known address, the amount and kind of property, and such other information as the department may require for the administration of this chapter. The report shall be made in duplicate; the original shall be retained by the department, and the copy shall be mailed to the sheriff of the county where the property is located or held. It shall be the duty of the sheriff to post *for not less than twenty consecutive days* said copy on the courthouse door

or the courthouse bulletin board, and also to publish said copy in at least one issue of a newspaper published in the county seat or, if no newspaper is published in the county, then in a newspaper of general circulation in the county. The list shall be published within thirty days of its receipt by the sheriff and this publication shall constitute compliance with the requirements of KRS Chapter 424. The cost of the publication shall be paid by the state. The sheriff shall immediately certify in writing to the department the dates when the list was posted and published. The list shall be posted and published as required on or before October 1 of the year when it is made, and such posting and publishing shall be constructive notice to all interested parties.

(2) *Within sixty days after the receipt of the report required by KRS 393.110 (1), the department shall mail notice to each person having an address listed therein who appears to be entitled to property presumed abandoned under this Act. The notice shall contain:*

(a) A statement that according to a report filed with the department properties being held to which the addressee appears entitled;

(b) The name and address of the person holding the property and any necessary information regarding changes of name and address of the holder;

(c) A statement that, if satisfactory proof of claim is not presented by the owner to the holder by the date specified in the published notice, the property will be placed in the custody of the department to whom all further claims must be directed.

(3) Any person who has made a report of any estate or property presumed abandoned, as required by this chapter, shall, between November 1 and November 15 of each year, turn over to the department all property so reported; but if the person making the report or the owner of the property shall certify to the department by sworn statement that any or all of the statutory conditions necessary to create a presumption of abandonment no longer exist or never did exist, or shall certify the existence of any fact or circumstance which has a substantial tendency to rebut such presumption, then, the person reporting or holding the property shall not be required to turn the property over to the department except on order of court. If a person files an action in court claiming any property which has been reported under the provisions of this chapter, the person reporting or holding such property shall be under no duty while any such action is pending to turn the property over to the department, but shall have the duty of notifying the department of the pendency of such action.

(4) The person reporting or holding the property or any claimant thereof shall always have the right to a judicial determination of his

rights under this chapter and nothing therein shall be construed otherwise; and the Commonwealth may institute an action to recover such property as is presumed abandoned whether it has been reported or not and may include in one petition all such property within the jurisdiction of the court in which the action is brought provided the property of different persons is set out in separate paragraphs.

SB 211, AN ACT relating to the Kentucky Historical Society.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 171.311 of the Kentucky Revised Statutes is amended to read as follows:

The Kentucky Historical Society created by 1880, c. 244, shall have all the powers and liabilities of a corporation and there is hereby granted to the Society the following charter:

I

The Kentucky Historical Society shall collect, maintain and preserve authentic records, information, facts and relics connected with the history of the Commonwealth and the genealogy of her peoples; and promote a wider appreciation of the American heritage, with particular emphasis on the advancement and dissemination of knowledge of the history of Kentucky. The Society may receive and hold by donation or devise, real or personal property to any extent and may, by gift, loan, purchase or otherwise hold books, papers, documents, historical memorials, and any other articles suited to promote the objects of the Society in the Old State Capitol Building but all such property shall be held in trust for the Commonwealth of Kentucky according to the terms of acceptance.

II

All American citizens, partnerships, corporations or associations who shall evidence their dedication to the promotion of the objects and purposes of the society may become active members thereof upon their approval *under regulations prescribed* by the Executive Committee, and the payment of annual dues in a sum determined by the Executive Committee. Any person possessing the qualifications for membership may become a life member on the payment of a sum *determined by the Executive Committee* [ten times the amount of the annual dues]. *The Executive Committee may determine classes of memberships and establish respective rates of dues.* Every member in good standing, including the authorized representative of an institutional member, shall have the right to vote in person or by proxy, hold office, and otherwise take part in the proceedings of the Society. Membership may be terminated by resignation or non-payment of dues.

III

The officers of the Society shall *be* [consist of members of the Executive Committee,] *a Chancellor, who shall be the Governor of the Commonwealth of Kentucky,* a President, First, Second and Third Vice-Presidents, *who shall be ex-officio members of the Executive Committee* [director, editor, comptroller, curator, librarian and such assistants and other officers as the executive committee may provide for]. All officers, *except the Chancellor,* shall be elected for a term of one year at the annual meeting of the Society in a manner provided by law, and the President shall be ineligible to succeed himself *if he has been elected for two successive terms.*

IV

There is hereby created the Board of Curators of the Society, referred to herein as the Board, which shall consist of *forty* [thirty-nine] members. It shall be composed of the [Governor of the Commonwealth, who shall be] Chancellor, *the President of the Society,* the Director of the Society *who shall serve as Secretary of the Board,* and *one person designated by the* [the Director of] State Archives and Records *Commission,* eighteen members of the Society appointed by the Executive Committee and a like number appointed by the Governor. The *appointed members of the* Board shall be divided into four equal classes, so arranged that the term of one class shall expire at each annual meeting of the Society.

[The Board shall perform, in addition to the duties imposed upon it by law, such duties as the society may from time to time prescribe and the board shall consider and make recommendations to the executive committee in such matters as the board may deem calculated to promote and advance the best interests of the society and the purposes for which it was formed and it shall adopt by-laws to facilitate its functions.]

V

The Board shall endeavor at all times to promote the historical interest of the Commonwealth of Kentucky, counsel and advise the Executive Committee and Officers of the Society in the conduct of the business and programs calculated to promote the best interest of the Commonwealth and its citizens. It shall perform such duties as the Society may from time to time prescribe to promote and advance the best interests of the Society and the purpose for which it was formed. It shall make an annual report to the Society concerning all significant actions of the Board, the condition of the Society and its work, and such recommendations as may be appropriate.

The Board shall adopt rules of procedure to facilitate its functions.

VI [V]

The Board shall meet in the City of Frankfort *at least once* [not less than four times] during each calendar year but it may hold special meetings in any other location when the work of the Board would be facilitated thereby. All meetings shall be called by the Director *of the Society* when requested by the Chancellor, the President or any four members of the Board.

[IV]

[The Board shall endeavor at all times to promote the historical interest of the Commonwealth of Kentucky, counsel and advise the executive committee and officers of the society in the conduct in the operation of the business and programs calculated to promote the best interest of the Commonwealth and its citizens. It shall make an annual report to the society on the approval of the chancellor, concerning all significant actions of the board, the condition of the society and its work, and such recommendation as may seem appropriate.]

VII

There is hereby created an Executive Committee which shall consist of sixteen members, *the officers of the Society and one person designated annually by the* [in addition to the director of] State Archives and Records *Commission.* The *sixteen members of the* Executive Committee shall be divided into four equal classes, so arranged that the terms of one class shall expire at each annual meeting of the Society. The class whose term expires shall be ineligible to succeed itself. [It shall adopt by-laws, subject to the approval of a majority of the members of the committee present and voting at any regular or special meeting, prescribing the powers and duties of its officers and employes as provided by law. It shall execute all the powers and duties conferred on the society except those expressly delegated to other officers by the by-laws. As a part of the executive committee's power to perform its function as the governing body of the society, there is expressly included the power to supervise and direct the financial and personnel concerns of the society, cooperate with and provide assistance for the Department of State Archives and Records Commission, provide by contract, subject to the approval of the Department of Finance, for all the printing, publications, and distribution of reports, books, and other publications calculated to promote and advance the historical interest of Kentucky and otherwise conduct the ordinary affairs of the society. The committee shall also have the power to fill any vacancies until the next regular election, including those occurring within its own membership, appoint standing and special committees, and designate honorary members.]

VIII

The Executive Committee shall execute all the powers and duties conferred on the Society, except those expressly delegated to the officers. It shall adopt by-laws at any regular or special meeting.

It shall supervise and direct the financial concerns of the Society, approve an annual budget and provide for and fix the salaries of employees, subject to the approval of the Department of Personnel. It shall provide for reimbursement of travel expenses of employees and may provide for reimbursement of expenses of officers and members of the Executive Committee incurred in performing specific duties assigned to them. It shall appoint a Director, who shall be the management officer of the Society under the direction of the President and policies established by the Executive Committee, and an Assistant Director, who shall assume the duties of the Director in his absence and perform such other duties as may be assigned to him by the Director. It shall establish and prescribe the duties of such other positions as are necessary to operate the Society, and all persons engaged to fill such positions shall be employed by the Director, subject to the approval of the Executive Committee, which approval shall constitute exemption from KRS 18.130, and their work shall be under the Director's supervision.

The Committee shall provide for the publication or preservation of historical documents and manuscripts; publish an Edition to be known as the "Register;" provide by contract, subject to the approval of the Department of Finance, for all the printing, publication and distribution of reports, books and other publications calculated to promote and advance the historical interest of Kentucky and augment the Society's various collections at all times. It shall supervise and direct the ordinary affairs of the Society; appoint a nominating committee; and determine other necessary committees of which the President and the Director of the Society shall be ex-officio members. The Committee shall cooperate with, provide assistance to and coordinate its functions with those of the State Archives and Records Commission. It may designate honorary members of the Society and it shall have the power to fill any vacancies until the next annual meeting, including those occurring within its own membership.

IX [VIII]

The Executive Committee shall hold regular meetings [on the first Friday after the first Monday] in January, April, July and *October* [November]. Matters to be determined and discussed at such meetings shall be furnished the Director at least ten days prior to such meetings in order that he may prepare and distribute an agenda to each member of the Committee at least three days before the meeting. Special meetings shall be held at the request of the President or any three members of the Committee, *in which case* [provided] the Director *shall give* [gives] written notice together with the agenda of such meeting at least ten days in advance. In an emergency, nine members of the Committee may waive the provision of notice.

[IX]

[The executive committee shall, by executive order, approve an annual budget, provide for and fix the salaries of certain officers and employes, provide for the publication or preservation of all historical manuscripts, coordinate the functions of the society with those of the State Archives and Records Commission, publish an edition to be known as the "Register," augment the society's various collections at all times, supervise and direct the ordinary affairs of the society and appoint a nominating committee and other necessary committees.]

X

The regular annual meeting of the Society shall be held in the Old State Capitol Building on the first Friday after the first Monday in November. The meeting shall be [presided over by the President and shall be] open to all members. Special meetings may be called in Frankfort or elsewhere by the President or a majority of the Executive Committee or by the Director upon the written request of twenty members of the Society. Members shall have fifteen days written notice of the time, place and object of the meeting.

XI

Twenty-five members [a majority of those present and voting] shall constitute a quorum for the transaction of all business *at any meeting* of the Society, *and one-third of the membership of the Board of Curators or of the Executive Committee shall constitute a quorum at their respective meetings.* [its boards and committees.]

XII

The Chancellor of the Society, at his discretion, may preside at any meeting of the Society, the Board of Curators or the Executive Committee, or he may participate otherwise in any meetings or functions of the Society.

XIII [XII]

The President of the Society shall be the Chief Executive officer *of the Society* and shall preside over meetings of the *Society, the* Board of Curators *or the Executive Committee in the absence of the Chancellor or at his request.* [, at the request of the Chancellor, and all meetings of the society or its committees.] He shall recommend the appointment of all necessary or desirable committees [required to properly conduct the affairs of the society] and he shall *name persons to comprise such committees, except the Nominating Committee.* [be the chairman of any and all committees appointed by the executive committee. He shall be paid expenses incurred in the performance of any extraordinary services required of him by the executive committee, or the board of curators.]

XIV [XIII]

The Vice-Presidents of the Society shall preside in the absence of their successive superiors in office at all meetings of the Society and *the Executive* Committee. They shall attend all regular and special meetings of the Society and the Executive Committee and endeavor to familiarize themselves with the conduct and operations of the affairs of the Society. They shall aid and assist the President in the performance of his duties, counsel and advise the Executive Committee and endeavor at all times to advance and promote the public interest in the history of Kentucky and her people.

[XIV]

[The director of the society shall attend and keep minutes of all meetings of the society and the executive committee, send out notices, act as custodian of all records, funds and property of the society in a manner directed and approved by the executive committee. He shall execute a bond to the Commonwealth approved by the executive committee for the proper accounting of all records, funds and property coming into his hands for the society. He shall exhibit the financial records of the society at each meeting of the executive committee and make an annual report to the society at its annual meeting. He shall prepare an agenda for all matters to be discussed and determined at all regular and special meetings of the executive committee and distribute same to the members at least three days prior to the meeting. As soon as practicable after each meeting of the executive committee he shall prepare and distribute copies of the minutes of the meeting to the members. He shall be a member of the State Archives and Records Commission in order that he may coordinate the functions of the society with those of the Archives and Records Commission. He shall act as administrative assistant to the chancellor, the president and the chairman of all committees and perform such other duties as may be assigned to him by the executive committee or the board of curators.]

[XV]

[There shall be an editor of the register who shall conduct all necessary research and assemble manuscripts and contributions desirable for publication therein. He shall promote and encourage projects calculated to advance the history and archives of the Commonwealth, in addition to other duties that may be defined for him in the by-laws of the executive committee, or the publication committee, as appointed by the chancellor.]

[XVI]

[The comptroller shall be the chief financial officer of the society and shall execute bond to the Commonwealth in such amount as may be determined by the executive committee. He shall prepare all budget requests, procure the allotments, from all appropriations or agency funds as directed by the executive committee, prepare and keep all books and records necessary to transact the society's business and reflect its financial condition at all times and report thereon to each regular meeting of the executive committee. He shall be accountable to the executive committee and the Commonwealth for the receipt and disbursement of all monies used in the maintenance, operation, and promotion of the society and perform such other services as may be required of him by the executive committee or the board of curators.]

[XVII]

[All rights, duties and liabilities of the curator and librarian of the society shall be defined in the by-laws of the executive committee. Particular emphasis shall be placed upon the acquisition and preservation of museum exhibits, the development of the society's collection of printed materials and manuscripts. Emphasis shall also be impressed upon the importance of securing outstanding collections and items of historical value consistent with the established collecting policies of the Society.]

[The librarian shall approve the context of all historical markers and shall, at the direction of the executive committee, select the place and location where such markers are to be erected.]

XV [XVIII]

Nominations to membership on the Executive Committee and to the offices of President, First Vice-President, Second Vice-President and Third Vice-President shall be made by a Nominating Committee or by *any member present at the regular annual meeting.* [written petition signed by not less than one hundred members of the society.] The Nominating Committee shall consist of five members, shall be appointed at the first regular meeting of the Executive Committee after *the annual meeting of the Society* [its election] and shall consider candidates *to fill vacancies in the Executive Committee and offices which will occur at the subsequent annual meeting* [for the constitutional offices during the year of their appointment]. The Nominating Committee shall meet in the office of the *Society* [Director] forty-five days prior to the [regular] annual meeting [in November 1960] and nominate [at least sixteen] candidates *to fill vacancies* [for membership] on the Executive Committee and [in addition] at least one candidate for the office of President, First Vice-President, Second Vice-President, and Third Vice-President, [director, editor, comptroller, curator and librarian] and file same with the President. [Annually thereafter the nominating committee shall meet and nominate at least one candidate for the proper offices. All nominations by written petition shall be filed with the president prior to the annual meeting.] Upon the call for the election of officers the President shall promptly report the nomination by the Nominating Committee together with *all other* [the] nominations. [of any by written petition.] When more than the required number of candidates have been nominated for membership on the Executive Committee or more than one candidate for the offices to be filled, the President shall call for an election by the vote of those present, together with the number of votes cast by proxy, and a plurality of all votes cast shall be sufficient to elect. Where no vote count is required the President shall cast one vote for each candidate and he or she shall be declared elected.

XVI [XIX]

This Charter may be amended by a two-thirds vote of the members present and voting at any regular meeting or at any special meeting of the Society called for the purpose, provided that written notice containing the substance of the proposed amendments shall have been mailed to members not less than thirty days in advance of such meeting and the same approved as an amendment by the first General Assembly, meeting after the action of the Society.

Calendar

SB 193, HB 207, SB 31, SB 216, SB 217, HB 223, HB 224, HB 225, SB 231, HB 232, HB 230, HB 227, HB 229, SB 256, HB 272, SB 276, HB 273, HB 296, HB 185, HB 17, SB 290, SB 154, SB 175, HB 19, HB 236, SB 61, SB 106, SB 222, SB 224, HB 8, HB 55, SB 33, HB 152, HB 210, SB 2, SB 125 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 188, HB 139, HB 138, HB 101, HB 76, HB 71** had been examined and found correctly enrolled. **HB 188, HB 139, HB 138, HB 101, HB 76, HB 71** read at length, compared, and signed in open session by the President. **HB 188, HB 139, HB 138, HB 101, HB 76, HB 71** ordered delivered to the House.

Reference of Bills and Resolutions

The clerk announced that the following bills and resolutions had been referred:

Kentucky Statutes #1: **SR 39, SB 232, SB 233, SB 234, SB 235, SB 236, SB 237, SB 238, SB 239, SB 241, SB 248, SB 249, SB 250, SB 258, SB 259, SB 260, SB 261, SB 262, SB 263, SB 264, SB 265, SB 266, SB 267, SB 274, SB 277, SB 280, SB 281, SB 282, SB 283, SB 284, SB 285, SB 287, SR 42, SR 43, HB 148, HB 161, HB 167, HB 194, HB 200, HB 208, HB 213, HB 228, HB 235, HB 264, HB 297, HB 329, HB 354, HB 361, HB 364.**

Insurance: **SB 230.**

Kentucky Statutes #2: **SB 240, SB 242, SB 243, SB 244, SB 245, SB 246, SB 251, SB 252, SB 253, SB 254, SB 255, SB 257, SB 268,**

SB 269, SB 270, SB 271, SB 272, SB 273, SB 275, SB 278, SB 279, SB 286, HB 14, HB 3, HB 35, HB 70, HB 164, HB 242, HB 274, HB 278, HB 279, HB 321, HB 332, HB 337.

Judiciary and Judicial Council: **SB 247.**

Administrative Agencies: **HB 240.**

Motor Vehicles, Commerce and Common Carriers: **HB 266.**

Senator Ware moved that the Senate adjourn until 1 p.m., Tuesday, February 27.

Senator Howard moved to amend Senator Ware's motion to adjourn until 4 p.m., Tuesday, February 27.

Senators Howard and Overbey requested a roll call on Senator Howard's motion.

On roll call, the vote was yeas 12—Bishop, Blue, Duncan, Fuqua, Gardner, Howard, Johnson, Kiser, Logan, Martin, Overbey, Swope. Nays 19—Bonn, Brand, Buckman, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson, Kelly, Kidwell, McCann, McGinty, Mann, Miller, Nichols, Raney, Turner, Ware.

The President ordered a roll call on Senator Ware's motion to adjourn until 1 p.m., Tuesday, February 27.

On roll call, the was was yeas 19—Bishop, Bonn, Brand, Buckman, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson, Kelly, Kidwell, McCann, McGinty, Mann, Nichols, Raney, Turner, Ware. Nays 8—Blue, Gardner, Kiser, Logan, Martin, Miller, Overbey, Swope.

The motion to adjourn until 1 p.m., Tuesday, February 27, was adopted.

TUESDAY, FEBRUARY 27, 1962

FORTY-FIFTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers, Pastor of the First Baptist Church of Frankfort.

The roll was called. All present except Senator Derickson, who was granted leave of absence on motion of Senator Ware.

Reading of Journal for February 26 dispensed with and the same approved on motion of Senator Ware.

House Message

Announcing passage of **HB 46, HB 140, HB 309, HB 314, SB 13, SB 18, SB 88, SB 91** with House Amendments, **SB 120, SB 121, SB 122, SB 129, SB 132, SB 133, SB 134, SB 137, SR 26, HB 94, HB 155, HB 172, HB 199, HB 216, HB 220, HB 239, HB 247, HB 263, HB 285, HB 291, HB 305, HB 319, HB 334, HB 344, HB 363, HB 382, HB 398, HB 404, HB 413, HB 414, HB 415, HB 416, HB 417.**

Motions, Petitions and Communications

Senator Ware moved that **SB 290** and **SB 276** be made Special Orders of the day. Agreed.

Senator Blue moved that **HB 19** be made a Special Order after action on **SB 290** and **SB 276.** Agreed.

Senator Gardner moved to reconsider the vote by which **SB 81** was passed on February 21. Agreed.

Senator Overbey moved that **SB 81** be placed in Orders of the Day. Agreed.

Senator Overbey moved the Senate to request the House to return **SB 81.** Agreed.

Introduction of Bills

SB 310, by Senator Kinkead: AN ACT relating to pre-qualifications of contractors.

SB 311, by Senator Edwards: AN ACT relating to highways.

SB 312, by Senator Buckman: AN ACT relating to city streets, viaducts and bridges which constitute the route of connection between or extension of state roads in the state highway system and providing for the construction and maintenance of same by the state.

SB 313, by Senator White: AN ACT relating to house trailers.

SB 314, by Senator McCann: AN ACT relating to commercial business schools.

Report of the Committees

Committee on Insurance reported **SB 221** with the expression of opinion that the same should not pass.

Committee on Insurance reported **SB 229, SB 230** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 229, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 100.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 100.320 to 100.990, unless the context requires otherwise:

(1) "Mayor" means the chief elected official of the city whether the official designation of his office is mayor, chairman of the board of trustees or otherwise;

(2) "Legislative body" means the chief legislative body of the city, whether it is a board of aldermen, general council, board of commissioners, or otherwise;

(3) "Streets" includes streets, avenues, boulevards, roads, lanes, alleys, viaducts and other ways;

(4) "Subdivision" means the division of a tract of land into two or more *lots, sites, or parcels* [divisions] for the purpose, whether immediate or future, of sale or of building development and includes resubdivision;

(5) "County commissioners" means chief administrative or legislative body of the county;

(6) "Planning area" means the city and adjoining territory which by reason of existing or future development bears relation to the proper growth and development of the city;

(7) "Commission" means planning commission; and

(8) "County area" means the unincorporated area of the county in which the second class city is located.

Section 2. Section 100.520 of the Kentucky Revised Statutes is amended to read as follows:

Regulations shall be made in accordance with a comprehensive plan and shall be designed to lessen congestion in the streets; to secure safety from fire, panic, *flood* and other dangers; to promote health and the general welfare; to provide adequate light and air; to prevent the overcrowding of land; to avoid undue concentration of population; to facilitate the adequate provision of transportation, water, sewerage, schools, parks, and other public requirements. The regulations shall be made with reasonable consideration of the character of the district and its peculiar suitability for particular uses, and with a view to conserving the value of buildings and encouraging the most appropriate use of land.

Section 3. The legislative body of any city of the third, fourth, fifth, and sixth class may enact an interim zoning ordinance to protect and preserve existing land uses while the comprehensive plan is being prepared. Preparation of such interim zoning ordinance shall be contingent upon a finding by the legislative body that further mixing of incompatible land uses would be detrimental to such comprehensive plan. The establishment of such regulations shall be governed by the provisions of KRS 100.530, but shall not be effective for longer than three years after their enactment.

Section 4. Section 100.560 of the Kentucky Revised Statutes is amended to read as follows:

(1) The legislative body *shall* [may] provide for the appointment of a board of adjustment, and *shall* [may] provide that the board of adjustment may make special exceptions to the terms of the ordinance in harmony with its general purpose and intent and in accordance with general or specific rules contained in the ordinance.

(2) The board of adjustment shall consist of five members, each to be appointed for a term of three years, *except that of those first appointed, one shall serve for one year, two for two years, and two for three years. Board members shall be* [and] removable for cause by the appointing authority upon written charges and after public hearing. Vacancies shall be filled by the legislative body for the unexpired term.

Section 5. Section 100.660 of the Kentucky Revised Statutes is amended to read as follows:

In the preparation of the master plan the commission shall make a comprehensive study of present conditions and future growth of the city with due regard to its relation to neighboring territory. The plan shall be made with the general purpose of accomplishing a coordinated and harmonious development of the city and its environs in accordance with present and future needs. The plan shall make adequate provision for traffic, the promotion of safety from fire, *flood* and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the promotion of good civic design and arrangement, wise and efficient expenditure of public funds, and the adequate provision of public utilities and other public requirements.

Section 6. Section 100.750 of the Kentucky Revised Statutes is amended to read as follows:

(1) Before exercising the powers referred to in KRS 100.730 the planning commission shall adopt regulations governing the subdivision of land within its jurisdiction. The regulations may provide for the proper arrangement of streets, for adequate and convenient open spaces for traffic, utilities, access of fire fighting apparatus, recreation, light and air, and for the avoidance of *flood damage,* congestions of population, including minimum width and area of lots.

(2) The regulations may include provisions as to the extent to which streets shall be graded and improved and to which water and sewer and other utility mains, piping, or other facilities shall be installed as a condition precedent to the approval of the plat. The regulations or practice of the commission may provide for a tentative approval of the plat previous to such installation, but any such tentative approval shall be revocable and shall not be entered on the plat. In lieu of the completion of such improvements and utilities prior to the final approval of the plat, the commission may accept a bond with surety to secure to the city the actual construction and installation of the improvements or utilities at a time and according to specifications fixed in accordance with the regulations of the commission. The city may force the bond by all appropriate legal and equitable remedies.

(3) All such regulations shall be published as provided by law [for the publication of ordinances] and before adoption there shall be a public hearing. A copy of the regulation shall be certified by the commission to the county clerks of the counties in which the city and territory are located.

Section 7. Section 100.760 of the Kentucky Revised Statutes is amended to read as follows:

(1) The city shall not accept, lay out, improve or light any street, or lay or authorize water mains or sewers or connections to be laid in any street within the territory for which the planning commission has adopted a major street plan, unless the street has been accepted or opened or otherwise has received the legal status of a public street prior to the adoption of the plan; or unless the street corresponds with a street shown on the official master plan or with a street on a subdivision plat approved by the planning commission or with a street on a street plat made and adopted by the commission.

(2) But the legislative body may accept a street not shown on or not corresponding with a street on the official master plan or on

an approved subdivision plat or an approved street plat, if the ordinance accepting the street is first submitted to the planning commission for its approval and, if approved by the commission, is passed by not less than a majority of the entire membership of the legislative body, or, if disapproved by the commission, is enacted or passed by not less than two-thirds of the entire membership of the legislative body. A street approved by the planning commission upon submission by *the legislative body,* [council] or a street accepted by a two-thirds vote after disapproval by the planning commission, shall have the status of an approved street as fully as though it has been originally shown on the official master plan or on a subdivision plat approved by the commission or had been originally platted by the commission.

Section 8. Section 100.854 of the Kentucky Revised Statutes is amended to read as follows:

(1) It shall be the function and duty of each commission to prepare and approve a comprehensive plan for the physical development of the city and the area of the county encompassed by the territorial jurisdiction of each commission, and to submit and recommend same to the fiscal court and to the legislative body of the city for adoption or rejection. The legislative body or fiscal court may adopt that portion of the comprehensive plan or parts thereof that pertain to its area of jurisdiction separate from the action of the other body.

(2) Said comprehensive plan shall show and include:

(a) A master plan, as defined and provided for in *KRS 100.650 through 100.680* [KRS 100.046 through 100.051];

(b) A zoning plan and regulations and restrictions relating thereto, as defined and provided for in *KRS 100.500 through 100.530* [KRS 100.066 through 100.073]; and

(c) Subdivision control regulations and restrictions relating thereto, as defined and provided for in *KRS 100.730 through 100.780* [KRS 100.087 through 100.093]. *Wherever appropriate within the context of Sections 100.650 through 100.680; 100.500 through 100.530; 100.730 through 100.780; and 100.980 through 100.990 the words "city" and "municipal" shall include the word "county;" the words "legislative body" shall include the words "fiscal court;" and the word "ordinance" shall include the word "order."*

(3) In the preparation of the comprehensive plan, and at all times thereafter, it shall be the duty of the commission to consult and advise with public officials and agencies, including the city and county board of health or its successor or successors, public utility companies, civic, educational, agricultural, professional and other organizations, and with citizens, regarding the preparation, protection and carrying

out of the plan. The commission, its members, officers, and employes, in the performance of their duties and functions, may enter upon any land and make examinations and surveys that do not occasion damage or injury to private property. In general, the commission shall have such powers as may be necessary to enable it to fulfill its duties and functions, to promote city and county planning, and to carry out the purposes of KRS 100.850 to 100.872.

(4) The commission may, from time to time, recommend to the appropriate public officials programs for the acquisition of land and the construction of public structures and improvements, and for the financing thereof.

(5) The commission shall have power to promote public interest in an understanding of the comprehensive plan, and part and parts thereof, and to that end may publish and distribute copies thereof, or of any report relating thereto, and may employ such other means of publicity and education as it may determine.

(6) From and after the time the subdivision control regulations and restrictions of a joint city-county planning commission are adopted and in force, the provisions of KRS 100.720 which authorize city planning commissions to exercise subdivision control over land located outside the corporate limits of cities shall not apply within the area of jurisdiction of such joint city-county planning commission. Similarly, the provisions of KRS 100.650, 100.730, 100.760, 100.780, 100.790 and any other provisions of the Kentucky Revised Statutes which give specific or implied authority to city legislative bodies and city planning commissions to include and regulate land located outside the corporate limits of cities in the major street plans or in any other portions or elements of the master plans of cities, shall not apply within the area of jurisdiction of a joint city-county planning commission from and after the time the subdivision control regulations and restrictions of such joint city-county planning commission are adopted and in force.

Section 9. Any comprehensive plan, or portion thereof, or any ordinances, resolutions, orders, regulations and restrictions or amendments relating thereto, adopted prior to the effective date of this Act and in effect within the respective jurisdiction of any city or county shall continue and remain in full force and effect until superseded by new comprehensive plans, or portions thereof, or any ordinances, resolutions, orders, regulations and restrictions or amendments relating thereto.

SB 230, AN ACT relating to insurance and insurance companies, and amending certain sections of Chapter 304 of the Kentucky Revised Statutes and repealing Section 304.139 of the Kentucky Revised Statutes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 304.138 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the assets of an insurer at any time are less than its liabilities, including its capital stock as a liability, the insurer's capital stock shall be deemed to be impaired, and the commissioner shall forthwith determine the amount of such deficiency and give notice to the insurer to make good the deficiency within ninety days after the giving of such notice.

(2) The insurer may cure the deficiency by [assessment of stockholders by action of its board of directors,] *a decrease of its capital stock* or by other lawful means. The deficiency shall be made good in cash or in assets eligible under this code for investment of the insurer's funds, or by decrease of the insurer's capital stock to an amount not below the minimum required for the kinds of insurance to be thereafter transacted.

(3) If the deficiency is not made good and proof thereof filed with the commissioner within such ninety-day period, the commissioner shall revoke the insurer's certificate of authority, the insurer shall be deemed insolvent, and shall be proceeded against as authorized by this code.

Section 2. Section 304.139 of the Kentucky Revised Statutes is repealed.

Section 3. Section 304.383 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commissioner shall annually value, or cause to be valued, the reserve liabilities (hereinafter, in this section, called reserves) for all outstanding life insurance policies and annuity and pure endowment contracts of every life insurer doing business in this state (except that in the case of an alien insurer such valuation shall be limited to its United States business), and may certify the amount of any such reserve, specifying the mortality table or tables, rate or rates of interest and methods (net level premium method or other) used in the calculation of such reserves. In calculating such reserves, he may use group methods and approximate averages for fractions of a year or otherwise. In lieu of the valuation of the reserves herein required of any foreign or alien insurer, he may accept any valuation made, or caused to be made, by the insurance supervisory official of any state or other jurisdiction when such valuation complies with the minimum standard herein provided and if the official of such state or jurisdiction accepts as sufficient and valid for all legal purposes the certificate of valuation of the commissioner when such

certificate states the valuation to have been made in a specified manner according to which the aggregate reserves would be at least as large as if they had been computed in the manner prescribed by the law of that state or jurisdiction. The cost of making valuations under this section, not to exceed one cent per each one thousand dollars of insurance, shall be assessed on the insurer whose policies are so valued. Any such insurer which at any time shall have adopted any standard of valuation producing greater aggregate reserves than those calculated according to the minimum standard herein provided may, with the approval of the commissioner, adopt any lower standard of valuation, but not lower than the minimum herein provided.

(2) The minimum standard for the valuation of all such policies and contracts issued prior to the operative date of KRS 304.828 shall be that provided by the laws in effect immediately prior to such date. Reserves for all such policies and contracts may be calculated, at the option of the insurer, according to any standards which produce greater aggregate reserves for all such policies and contracts than the minimum reserves required by the laws in effect immediately prior to such date.

(3) This subsection shall apply to only those policies and contracts issued on or after the operative date of KRS 304.828.

(a) The minimum standard for the valuation of all such policies and contracts shall be the commissioner's reserve valuation method defined in paragraph (b), three and one-half percent interest, and the following tables:

1. For all ordinary policies of life insurance issued on the standard basis, excluding any disability and accidental death benefits in such policies, the Commissioners 1941 Standard Ordinary Mortality Table for such policies issued prior to the operative date of subsection (6) of KRS 304.828, and the Commissioners 1958 Standard Ordinary Mortality Table for such policies issued on or after such operative date; provided that for any category of such policies issued on female risks all modified net premiums and present values referred to in this section may be calculated according to an age not more than three years younger than the actual age of the insured;

2. For all industrial life insurance policies issued on the standard basis, excluding any disability and accidental death benefits in such policies, – the 1941 Standard Industrial Mortality Table *for such policies issued prior to the operative date of subsection (7) of KRS 304.828, and the Commissioners 1961 Standard Industrial Mortality Table for such policies issued on or after such operative date;*

3. [For annuity and pure endowment contracts, excluding any disability and accidental death benefits in such policies, the 1937 Standard Annuity Mortality Table.] *For individual annuity and pure*

endowment contracts, excluding any disability and accidental death benefits in such policies — the 1937 Standard Annuity Mortality Table or at the option of the insurer, the Annuity Mortality Table for 1949, Ultimate, or any modification of either of these tables approved by the commissioner;

4. For group annuity and pure endowment contracts, excluding any disability and accidental death benefits in such policies — the Group Annuity Mortality Table for 1951, any modification of such table approved by the commissioner, or, at the option of the insurer, any of the tables or modifications of tables specified for the individual annuity and pure endowment contracts;

[4.] *5.* For total and permanent disability benefits in or supplementary to ordinary policies or contracts — *for policies or contracts issued on or after January 1, 1966, the tables of Period 2 disablement rates and the 1930 to 1950 termination rates of the 1952 Disability Study of the Society of Actuaries, with due regard to the type of benefit; for policies or contracts issued on or after January 1, 1961 and prior to January 1, 1966, either such tables or, at the option of the insurer, the Class III Disability Table (1926); and for policies issued prior to January 1, 1961, the* Class III Disability Table (1926) [which, for active lives, shall]. *Any such table shall, for active lives,* be combined with a mortality table permitted for calculating the reserves for life insurance policies;

[5.] *6.* For accidental death benefits in or supplementary to policies — *for policies issued on or after January 1, 1966, the 1959 Accidental Death Benefits Table; for policies issued on or after January 1, 1961 and prior to January 1, 1966, either such table or, at the option of the insurer, the Inter-Company Double Indemnity Mortality Table; and for policies issued prior to January 1, 1961,* the Inter-Company Double Indemnity Mortality Table. *Either table shall be* combined with a mortality table permitted for calculating the reserves for life insurance policies;

[6.] *7.* For group life insurance, life insurance issued on the substandard basis and other special benefits, such tables as may be approved by the commissioner.

(b) Reserves, according to the commissioner's reserve valuation method, for the life insurance and endowment benefits of policies providing for a uniform amount of insurance and requiring the payment of uniform premiums shall be the excess, if any, of the present value at the date of valuation, of such future guaranteed benefits provided for by such policies, over the then present value of any future modified net premiums therefor. The modified net premiums for any such policy shall be such uniform percentage of the respective contract premiums for such benefits that the present value, at the date of issue of the policy, of all such modified net premiums shall be equal to the sum of the then present value of such benefits provided for by the policy and the excess of 1. over 2., as follows:

1. A net level annual premium equal to the present value, at the date of issue, of such benefits provided for after the first policy year, divided by the present value, at the date of issue, of an annuity of one percent per annum payable on the first and each subsequent anniversary of such policy on which a premium falls due; provided, however, that such net level annual premium shall not exceed the net level annual premium on the nineteen year premium whole life plan for insurance of the same amount at an age one year higher than the age at issue of such policy;

2. A net one year term premium for such benefits provided for in the first policy year.

Reserves according to the commissioner's reserve valuation method for: life insurance policies providing for a varying amount of insurance or requiring the payment of varying premiums, annuity and pure endowment contracts, disability and accidental death benefits in all policies and contracts, and all other benefits, except life insurance and endowment benefits in life insurance policies, shall be calculated by a method consistent with the principles of this paragraph (b) [.] , *except that any extra premiums charged because of impairments or special hazards shall be disregarded in the determination of modified net premiums.*

(c) In no event shall a company's aggregate reserves for all life insurance policies, excluding disability and accidental death benefits be less than the aggregate reserves calculated in accordance with the method set forth in paragraph (b) and the mortality table or tables and rate or rates of interest used in calculating non-forfeiture benefits for such policies.

(d) Reserves for any category of policies, contracts or benefits as established by the commissioner, may be calculated, at the option of the insurer, according to any standards which produce greater aggregate reserves for such category than those calculated according to the minimum standard herein provided, but the rate or rates of interest used shall not be higher than the corresponding rate or rates of interest used in calculating any non-forfeiture benefits provided for therein. Provided, however, that reserves for participating life insurance policies may, with the consent of the commissioner, be calculated according to a rate of interest lower than the rate of interest used in calculating the non-forfeiture benefits in such policies, with the further proviso that if such lower rate differs from the rate used in the calculation of the non-forfeiture benefits by more than one-half percent the insurer issuing such policies shall file with the commissioner a plan providing for such equitable increase, if any, in the cash surrender values and non-forfeiture benefits in such policies as the commissioner shall approve.

(e) If the gross premium charged by any life insurer on any policy or contract is less than the net premium for the policy or contract according to the mortality table, rate of interest and method used in calculating the reserve thereon, there shall be maintained on such policy or contract a deficiency reserve in addition to all other reserves required by law. For each such policy or contract the deficiency reserve shall be the present value, according to such standard, of an annuity of the difference between such net premium and the premium charged for such policy or contract running for the remainder of the premium-paying period.

Section 4. Section 304.828 of the Kentucky Revised Statutes is amended to read as follows:

(1) No policy of life insurance, except as stated in subsection [(8)] *(9)* of this section, shall be issued or delivered in this state unless it shall contain in substance the following provisions, or corresponding provisions which in the opinion of the commissioner are at least as favorable to the defaulting or surrendering policyholder:

(a) That, in the event of default in any premium, the insurer will grant, upon proper request not later than sixty days after the due date of the premium in default, a paid-up non-forfeiture benefit on a plan stipulated in the policy, effective as of such due date, of such value as may be hereinafter specified;

(b) That, upon surrender of the policy within sixty days after the due date of any premium payment in default after premiums have been paid for at least three full years in the case of ordinary insurance or five full years in the case of industrial insurance, the insurer will pay, in lieu of any paid-up non-forfeiture benefit, a cash surrender value of such amount as may be hereinafter specified;

(c) That a specified paid-up non-forfeiture benefit shall become effective as specified in the policy unless the person entitled to make such election elects another available option not later than sixty days after the due date of the premium in default;

(d) That, if the policy shall have become paid up by completion of all premium payments or if it is continued under any paid-up non-forfeiture benefit which became effective on or after the third policy anniversary in the case of ordinary insurance or the fifth policy anniversary in the case of industrial insurance, the company will pay, upon surrender of the policy within thirty days after any policy anniversary, a cash surrender value of such amount as may be hereinafter specified;

(e) A statement of the mortality table and interest rate used in calculating the cash surrender values and the paid-up non-forfeiture benefits available under the policy, together with a table showing the cash surrender value, if any, and paid-up non-forfeiture benefits, if any, available under the policy on each policy anniversary either during the first twenty policy years or during the term of the policy, whichever is shorter, such values and benefits to be calculated upon the assumption that there are no dividends or paid-up additions credited to the policy and that there is no indebtedness to the insurer on the policy;

(f) A statement of the method to be used in calculating the cash surrender value and the paid-up non-forfeiture benefit available under the policy on any policy anniversary beyond the last anniversary for which such values and benefits are consecutively shown in the policy with an explanation of the manner in which the cash surrender values and the paid-up non-forfeiture benefits are altered by the existence of any paid-up additions credited to the policy or any indebtedness to the insurer on the policy.

(2) Any of the provisions or portions thereof, of subsection (1) of this section not applicable by reason of the plan of insurance may, to the extent inapplicable, be omitted from the policy. The insurer shall reserve the right to defer the payment of any cash surrender value for a period of six months after the demand therefor with surrender of the policy.

(3) Any cash surrender value available under the policy in the event of default in a premium payment due on any policy anniversary, whether or not required by subsection (1), shall be an amount not less than the excess, if any, of the present value, on such anniversary, of the future guaranteed benefits which would have been provided for by the policy, including any existing paid-up additions, if there had been no default, over the sum of: (a) the then present value of the adjusted premiums as defined in subsections (5) [and] , (6) *and (7)*, corresponding to premiums which would have fallen due on and after such anniversary; and (b) the amount of any indebtedness to the insurer on the policy. Any cash surrender value available within thirty days after any policy anniversary under any policy paid up by completion of all premium payments or any policy continued under any paid-up non-forfeiture benefit, whether or not required by subsection (1), shall be an amount not less than the present value, on such anniversary, of the future guaranteed benefits provided for by the policy, including any existing paid-up additions, decreased by any indebtedness to the insurer on the policy.

(4) Any paid-up non-forfeiture benefit available under the policy in the event of default in a premium payment due on any policy anniversary shall be such that its present value as of such anniversary shall be at least equal to the cash surrender value then provided for by the policy or, if none is provided for, that cash surrender value which would have been required by this section in the absence of the condition that premiums shall have been paid for at least a specified period.

(5) The adjusted premiums for any policy shall be calculated on an annual basis and shall be such uniform percentage of the respective premiums specified in the policy for each policy year, excluding any extra premiums charged because of impairment or special hazards, that the present value, at the date of issue of the policy, of all such adjusted premiums shall be equal to the sum of: (a) the then present value of the future guaranteed benefits provided for by the policy; (b) two percent of the amount of insurance, if the insurance be uniform in amount, or of the equivalent uniform amount, as hereinafter defined, if the amount of insurance varies with duration of the policy; (c) forty percent of the adjusted premium for the first policy year; and (d) twenty-five percent of either the adjusted premium for the first policy year or the adjusted premium for a whole life policy of the same uniform or equivalent uniform amount with uniform premiums for the whole of life issued at the same age for the same amount of insurance, whichever is less. Provided, however, that in applying the percentages specified in (c) and (d) above, no adjusted premium shall be deemed to exceed four percent of the amount of insurance or [level] *uniform* amount equivalent thereto. The date of issue of a policy for the purpose of this subsection shall be the date as of which the rated age of the insured is determined. In the case of a policy providing an amount of insurance varying with duration of the policy, the equivalent uniform amount thereof for the purpose of this subsection shall be deemed to be the [level] *uniform* amount of insurance provided by an otherwise similar policy, containing the same endowment benefit or benefits, if any, issued at the same age and for the same term, the amount of which does not vary with duration and the benefits under which have the same present value at the date of issue as the benefits under the policy; provided, however, that in the case of a policy providing a varying amount of insurance issued on the life of a child under age ten, the equivalent uniform amount may be computed as though the amount of insurance provided by the policy prior to the attainment of age ten were the amount provided by such policy at age ten, or at expiry, if earlier. *The adjusted premiums for any policy providing term insurance benefits by rider or supplemental policy provision shall be equal to (1) the adjusted premiums for an otherwise similar policy issued at the same age without such term insurance benefits, increased, during the period for which premiums for such term insurance benefits are payable, by (2) the adjusted premiums for such term insurance, the foregoing items (1) and (2) being calculated separately and as specified in this subsection except that, for the purposes of (b), (c), and (d), above, the amount of insurance or equivalent uniform amount of insurance used in the calculation of the adjusted premiums referred to in (2) shall be equal to the excess of the corresponding amount determined for the entire policy over the amount used in the calculation of the adjusted premiums in (1).*

Except as otherwise provided in subsections (6) *and (7)*, all adjusted premiums and present values referred to in this section shall for all policies of ordinary insurance be calculated on the basis of the Commissioners 1941 Standard Ordinary Mortality Table, provided that for any category of ordinary insurance issued on female risks, adjusted premiums and present values may be calculated according to an age not more than three years younger than the actual age of the insured [.] *and* such calculations for all policies of industrial insurance shall be made on the basis of the 1941 Standard Industrial Mortality Table. All calculations shall be made on the basis of the rate of interest, not exceeding three and one-half percent per annum, specified in the policy for calculating cash surrender values and paid-up non-forfeiture benefits. Provided, however, that in calculating the present value of any paid-up term insurance with accompanying pure endowment, if any, offered as a non-forfeiture benefit, the rates of mortality assumed may be not more than one hundred and thirty percent of the rates of mortality according to such applicable table. Provided, further, that for insurance issued on a substandard basis, the calculation of any such adjusted premiums and present values may be based on such other table of mortality as may be specified by the insurer and approved by the commissioner.

(6) (a) In the case of ordinary policies issued on or after the operative date of this subsection as defined herein, all adjusted premiums and present values referred to in this section shall be calculated on the basis of the Commissioners 1958 Standard Ordinary Mortality Table and the rate of interest, not exceeding three and one-half percent per annum, specified in the policy for calculating cash surrender values and paid-up non-forfeiture benefits, provided that for any category of ordinary insurance issued on female risks, adjusted premiums and present values may be calculated according to an age not more than three years younger than the actual age of the insured. Provided, however, that in calculating the present value of any paid-up term insurance with accompanying pure endowment, if any, offered as a non-forfeiture benefit, the rates of mortality assumed may be not more than those shown in the Commissioners 1958 Extended Term Insurance Table. Provided, further, that for insurance issued on a substandard basis, the calculation of any such adjusted premiums and present values may be based on such other table of mortality as may be specified by the insurer and approved by the commissioner.

(b) After June 16, 1960, any insurer may file with the commissioner a written notice of its election to comply with the provisions of this subsection after a specified date before January 1, 1966. After the filing of such notice, then upon such specified date (which shall be the operative date of this subsection for such insurer), this subsection shall become operative with respect to the ordinary policies thereafter issued by such insurer. If an insurer makes no such election, the operative date of this subsection for such insurer shall be January 1, 1966.

(7) (a) In the case of industrial policies issued on or after the operative date of this subsection as defined herein, all adjusted premiums and present values referred to in this section shall be calculated on the basis of the Commissioners 1961 Standard Industrial Mortality Table and the rate of interest, not exceeding three and one-half percent per annum, specified in the policy for calculating cash surrender values and paid-up non-forfeiture benefits. Provided, however, that in calculating the present value of any paid-up term insurance with accompanying pure endowment, if any, offered as a non-forfeiture benefit, the rates of mortality assumed may be not more than those shown in the Commissioners 1961 Industrial Extended Term Insurance Table. Provided, further, that for insurance issued on a substandard basis, the calculation of any such adjusted premiums and present values may be based on such other table of mortality as may be specified by the insurer and approved by the commissioner.

(b) After the effective date of this subsection, any insurer may file with the commissioner a written notice of its election to comply with the provisions of this subsection after a specified date before January 1, 1968. After the filing of such notice, then upon such specified date (which shall be the operative date of this subsection for such insurer), this subsection shall become operative with respect to the industrial policies thereafter issued by such insurer. If an insurer makes no such election, the operative date of this subsection for such insurer shall be January 1, 1968.

[(7)] *(8)* Any cash surrender value and any paid-up non-forfeiture benefit, available under the policy in the event of default in a premium payment due at any time other than on the policy anniversary, shall be calculated with allowance for the lapse of time and the payment of fractional premiums beyond the last preceding policy anniversary. All values referred to in subsections (3), (4), (5), [and] (6) *and (7)* may be calculated upon the assumption that any death benefit is payable at the end of the policy year of death. The net value of any paid-up additions, other than paid-up term additions, shall be not less than the dividends used to provide such additions. Notwithstanding the provisions of subsection (3), additional benefits payable: (a) in the event of death or dismemberment by accident or accidental means; (b) in the event of total and permanent disability; (c) as reversionary annuity or deferred reversionary annuity benefits; (d) as term insurance benefits provided by a rider or supplemental policy provision to which, if issued as a separate policy, this section would not apply; [and] (e) *as term insurance on the life of a child or on the lives of children provided in a policy on the life of* *a parent of the child, if such term insurance expires before the child's age is 26, is uniform in amount after the child's age is one, and has not become paid-up by reason of the death of a parent of the child; and (f)* as other policy benefits additional to life insurance and endowment benefits, and premiums for all such additional benefits, shall be disregarded in ascertaining cash surrender values and nonforfeiture benefits required by this section, and no such additional benefits shall be required to be included in any paid-up non-forfeiture benefits.

[(8)] *(9)* This section shall not apply to any reinsurance, group insurance, pure endowment, annuity or reversionary annuity contract, nor to any term policy of uniform amount, or renewal thereof, of fifteen years or less expiring before age sixty-six, for which uniform premiums are payable during the entire term of the policy, nor to any term policy of decreasing amount on which each adjusted premiums, calculated as specified in subsections (5), [and] (6) *and (7),* is less than the adjusted premium so calculated, on such fifteen-year term policy issued at the same age and for the same initial amount of insurance, nor to any policy which shall be delivered outside this state through an agent or other representative of the insurer issuing the policy.

[(9)] *(10)* In construing the provisions of this section, "ordinary insurance" or "insurance upon the ordinary plan" shall be considered to be insurance that may be paid for by a single premium, by annual premiums or by semi-annual or quarterly or other installments thereon at the option of the insurer; and "industrial insurance" shall be considered to be insurance as defined in KRS 304.872.

[(10)] *(11)* Any condition or stipulation in the policy of insurance or elsewhere contrary to the provisions of this section, and any waiver of such provisions by the assured, shall be void.

[(11)] *(12)* If any insurer shall have filed with the commissioner after June 13, 1944, a written notice of its election to comply with the provisions of this section after a specified date before January 1, 1948, then upon such specified date (which shall be the operative date for such insurer) this section shall have become operative with respect to the policies thereafter issued by such insurer. If any insurer shall not have made such an election, the operative date of this section for such insurer shall be January 1, 1948.

Committee on Insurance reported **SB 151** with the expression of opinion that the same should not pass.

Calendar

SB 163, SB 116, SB 71, HB 248, HB 241, SR 28, SB 225, SB 218, SB 211 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Orders of the Day

SB 290, having been made a Special Order, was taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 290.** Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 0.

SB 290 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 290** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 276, having been made a Special Order, was taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB 276.** Agreed.

On roll call, the vote was yeas 36—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 276 was passed and the title agreed to.

Senator Garrett moved that the vote by which **SB 276** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 19, having been made a Special Order, was taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Overbey offered Amendment #1 to **HB 19** and moved its adoption.

Amendment #1 to **HB 19** is as follows:

Amend printed copy of House Bill 19 on page 1, section 1, line 10, by adding the following language—"This bill shall become effective January 1, 1963."

The vote on Amendment #1 was taken by division and lost eight to thirteen.

Senator Kidwell moved that Amendment #1 to **HB 19** be tabled. The vote was taken by division and lost five to seventeen.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Gardner, Garrett, Hehl, Hickerson, Howard, Johnson, Kiser, Logan, McCann, McGinty, Mann, Martin, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 6—Cobb, Fuqua, Kelly, Kidwell, Kinkead, Nichols.

HB 19 was passed and the title agreed to.

Senator Blue moved that the vote by which **HB 19** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 233 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 233.** Agreed.

On roll call, the vote was yeas 36—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 233 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 233** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 231 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 231.** Agreed.

On roll call, the vote was yeas 35—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

HB 231 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 231** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Kelly moved that the Rules be suspended for the purpose of making a request. Agreed.

Senator Kelly moved that the names of Senators Howard and Conley be added as sponsors of **SB 229.** Agreed.

Orders of the Day

HB 121 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 121.** Agreed.

On roll call, the vote was yeas 36—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

HB 121 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 121** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 117 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Amendment #1 to **HB 117** and moved its adoption. Agreed.

Amendment #1 to **HB 117** is as follows:

Amend printed copy of House Bill 117 on page 4, lines 27 and 28, by striking therefrom the following: "may, in its discretion," and substitute in lieu thereof "shall."

Senator Ware offered Amendment #2 to **HB 117** and moved its adoption. Agreed.

Said Amendment #2 to **HB 117** is as follows:

Amend printed copy of House Bill 117 on page 5, line 1, by striking the word "issued" and inserting in lieu thereof the word "issue."

Senator Ware offered Amendment #3 to **HB 117** and moved its adoption. Agreed.

Said Amendment #3 to **HB 117** is as follows:

Amend printed copy of House Bill 117 on page 3, line 5, by deleting the word "use" following the word "installation."

Senator Ware moved the Previous Question on **HB 117**, as amended. Agreed.

On roll call, the vote was yeas 28—Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Palmer, Raney, Turner, Ware, White. Nays 8—Bishop, Fuqua, Howard, Kelly, Logan, Nichols, Overbey, Swope.

HB 117 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 117** was passed be reconsidered and that said motion be laid on the table. Agreed.

Recess

Senator Ware moved that the Senate recess for fifteen minutes for the purpose of having a meeting of the Committee on Committees. Agreed.

At the appointed hour, the President resumed the chair.

Senator Ware moved that the Rules be suspended for the purpose of introducing bills. Agreed.

Introduction of Bills

SB 315, by Senator Duffy: AN ACT relating to cemeteries.

SB 316, by Senator Johnson: AN ACT relating to sheriff's, constable's, coroner's, marshal's, and policemen's fees.

SB 317, by Senator Johnson: AN ACT relating to compensation of sheriffs for collecting state and county taxes.

SB 318, by Senator Johnson: AN ACT relating to the mileage allowance to be paid to sheriffs and deputies for serving notices, subpoenas and summonses.

SB 319, by Senator Johnson: AN ACT relating to sheriff's fees.

SB 320, by Senator Johnson: AN ACT relating to the expenses of sheriffs.

SB 321, by Senator Ware: AN ACT imposing a penalty for certain sexual perversions, practices or misconduct.

Orders of the Day

SB 155 taken from Orders of the Day, by way of committee substitute, and ordered read at length for the third time. Senator Ware moved that the comittee substitute for SB 155 be read by title only. Agreed by a majority of members elected.

Senator Buckman moved that the committee substitute for **SB 155** be adopted. Agreed.

Senator Buckman moved the Previous Question on **SB 155**, as amended. Agreed.

On roll call, the vote was yeas 35—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 155 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 155** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 113 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Howard moved the Previous Question on **HB 113.** Agreed.

On roll call, the vote was yeas 35—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 113 was passed and the title agreed to.

Senator Howard moved that the vote by which **HB 113** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 201 taken from Orders of the Day by way of committee substitute and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Bonn moved the adoption of the committee substitute for **SB 201.** Agreed.

Senator Bonn moved the Previous Question on **SB 201,** as amended. Agreed.

Senator Howard moved that **SB 201,** as amended, be tabled. Senators Howard and Gardner requested a roll call on the motion.

Senator Howard withdrew his previous motion to table.

Senator Howard moved that **SB 201** be laid on the Clerk's desk. Agreed.

Senators Howard and Gardner requested a roll call on Senator Howard's motion.

On roll call, the vote was yeas 16—Bishop, Buckman, Conley, Duncan, Fuqua, Gardner, Howard, Kidwell, Kinkead, Kiser, Logan, McGinty, Overbey, Palmer, Swope, Turner. Nays 14—Blue, Bonn, Brand, Craft, Duffy, Garnett, Garrett, Hehl, Johnson, McCann, Mann, Nichols, Raney, Ware.

Senator Ware moved to defer action on all bills in the Orders of the Day and that the same be delivered to the Rules Committee which is to be announced. Agreed.

Senator Ware moved that the Rules be suspended and that when the Senate adjourns today it adjourn to meet again at 12:00 noon, February 28. Agreed.

The President announced the members of the Rules Committee as follows:

Senate Rules Committee

Chairman: Ware, James C.

Bishop, Fred F.
Blue, J. Murray
Bonn, Bernard J.
Brand, George G.
Buckman, J. D. Jr.
Cobb, Mrs. Hazel
Conley, George D.
Craft, Archie
Derickson, Herbert T. Jr.
Duffy, Martin J. Jr.
Garnett, Richard L.
Garrett, Tom
Hehl, Lambert J.
Hickerson, Broadus E.
Howard, Durham W.
Johnson, H. Nick
Kelly, Ed J.
Kidwell, Alvin
Kinkead, Shelby C.
McCann, C. W. A.
Mann, Dr. Wm. C.
Nichols, Frederick E.
Palmer, Wilson
Raney, Tom
Turner, John Raymond
White, Everett

Senator Ware moved that the Senate adjourn until 12:00 noon, Wednesday, February 28. Agreed.

WEDNESDAY, FEBRUARY 28, 1962

FORTY-SIXTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers, Pastor of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Derickson and Kiser, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for February 27 dispensed with and the same approved on motion of Senator McCann.

House Message

Announcing passage of **HB 9, HB 127, HB 128, HB 183, HB 191, HB 197, HB 205, HB 293, HB 303, HB 307, HB 315, HB 355, HB 356, HB 366, HB 369, HB 380, HB 395, HB 402, HB 419, HB 437, HR 56.**

Introduction of Bills

SB 322, by Senator Nichols: AN ACT relating to court reporters.

SB 323, by Senator Ware: AN ACT relating to civil defense.

SB 324, by Senator Ware: AN ACT relating to Atomic Energy.

SB 325, by Senator Ware: AN ACT relating to occupational taxes in cities.

SB 326, by Senator Ware: AN ACT relating to Atomic Energy and Projects related thereto; making an appropriation, and declaring an emergency.

SB 327, by Senator Kinkead: AN ACT relating to child labor.

SB 328, by Senator Johnson: AN ACT relating to judges.

Report of Committees

Rules Committee reported **SB 232, SB 233, SB 235, SB 236, SB 237, SB 248, SB 249, SB 250, SB 251, SB 258, SB 259, SB 260, SB 261, SB 263, SB 264, SB 265, SB 266, SB 267, SB 280, SB 283, SB 284, SB 287, SB 288, SB 294, SB 298, SB 302, SB 299, SB 303, SB 304, SB 308, SB 312, SB 313, SB 321, SB 108, SB 255, SR 39**, by way of Committee Substitute, **SB 277, SB 182, SB 253, SB 275, SB 213, SB 214, SB 241, SB 289** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 232, AN ACT relating to the Constitution Revision Committee and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 7.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) A Constitution Revision Committee is hereby created as an agency of the Legislative Research Commission to carry on a program of study, review, examination and exposition of the Constitution of Kentucky [, in connection with the action taken by the 1959 Extraordinary Session of the 1958 General Assembly in enacting House Bill No. 1, and the amendatory, provisions thereof]. The program shall be so designed and carried on as to conduct any and all reasonable and appropriate studies, surveys, analyses, and reports pertaining to or having a bearing thereon; to analyze and appraise such suggestions for amendment or revision as may be made by any person or persons, groups, or organizations pertaining to or in opposition thereto; and to bring to public attention such proposals for revision or amendment of the Constitution in accordance herewith. The committee shall prepare and propose in detail [to the Legislative Research Commission] from time to time such drafts, amendments, or revision of the Constitution as will promote the interest and welfare of the Commonwealth and shall make such drafts public.

(2) The committee shall be composed of thirty-eight members appointed by majority vote of a committee composed of the Governor, the Lieutenant Governor, the Speaker of the House of Representatives and the Chief Justice of the Court of Appeals. One member shall be appointed from each of the senatorial districts as set forth in KRS 6.010. The terms of the members initially appointed shall extend through June 30, 1964 and their successors shall be appointed for two year terms. All members shall be eligible for reappointment and shall serve until their successors have been appointed and qualified. Any vacancies shall be filled for the remainder of the unexpired term from the senatorial district in which the vacancy occurred. The Committee upon its appointment shall elect from its membership a chairman and such other officers as it deems necessary, to serve for such terms and perform such duties as the committee shall prescribe. The committee's initial meeting shall be upon call of the Legislative Research Commission, and subsequent meeting shall be upon call of the chairman of the committee.

[(2)] The committee shall be composed of seven members, to be appointed by the Governor with due consideration to representation of the varied professional, social and economic interests. The Attorney General shall serve ex-officio, without vote, as an additional member. The terms of the members initially appointed shall extend through the 15th of December, 1960, and their successors shall be appointed for one year terms. All members shall be eligible for reappointment and shall serve until their successors have been appointed and qualified. Vacancies occurring prior to the expiration of a term shall be filled by the Governor for the remainder of the unexpired term. The committee, upon its appointment and annually thereafter, shall elect from its membership a chairman and a co-chairman. The committee shall meet not less frequently than quarterly at times and places fixed by it and upon call by the chairman or, in his absence, the co-chairman at such other times as may be necessary to carry out its duties and shall publish such report or reports of its activities as the committee deems necessary, subject, however, to the provisions of subsection (1) above.]

(3) The members of the committee shall serve without compensation but shall be reimbursed for their necessary and actual expenses in attending meetings of the committee and otherwise in the performance of their duties from funds appropriated to the Legislative Research Commission for the purposes of KRS 7.170 and 7.180 (or otherwise made available for committee use).

(4) *The Legislative Research Commission, from funds appropriated to it for the purposes of KRS 7.170, shall conduct such research studies as the committee may request.* The committee with the approval of the Legislative Research Commission may employ and may remove [an executive director to be responsible for directing and coordinating research studies for the committee and for seeking assistance and advice of interested persons or groups. The executive director shall be a person who has demonstrated an interest in and knowledge of Kentucky constitutional development. The committee may employ] such [other] personnel as may be reasonably necessary to carry out the work of the committee. Expenditures under KRS 7.170 and 7.180 shall be paid upon vouchers approved by the director of the Legislative Research Commission from appropriations made to the Legislative Research Commission for the purposes of KRS 7.170 and 7.180.

[(5) The committee shall, not later than August 1, 1960, and not less frequently than annually thereafter, schedule and announce publicly in advance open hearings at which any person, either individually or as a representative of a group, may present suggestions for constitutional change. A summation of the suggestions presented at such hearings shall be included in each annual report of the committee.]

(5) [6] The committee shall *report to the Governor and the General Assembly biennially, on or before December 31 preceding each regular session of the General Assembly* [by September 15th of each year, report to the Legislative Research Commission] on the result of its studies and deliberations [during the year]. [This report shall be published by the Legislative Research Commission no later than

the 1st day of October, and such reports shall be transmitted to the incumbent members of and candidates for election to the General Assembly. Reports shall be published in such quantities as to permit distribution to all public agencies, educational institutions, and private groups with demonstrated interest therein. If a convention shall be held to revise the Constitution pursuant to the Act of the 1959 Extraordinary Session of the 1958 General Assembly, the committee shall advise and assist that body insofar as it is practicable, and shall report to it when requested.]

[(7) The Governor is authorized to appoint such additional study committees to assist and report to the Constitution Revision Committee as he deems necessary or appropriate for the purpose of investigating, study, analyzing, reviewing, reporting and making recommendations as to changes in the provisions of the Constitution of the Commonwealth of Kentucky pertaining to the twelve subjects set forth in House Bill No. 1 of the 1959 Extraordinary Session of the 1958 General Assembly.]

Section 2. Section 7.180 of the Kentucky Revised Statutes is repealed.

Section 3. Whereas, it is necessary that members of the Constitution Revision Committee be appointed as soon as possible in order that they may begin to plan and execute studies, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SB 233, AN ACT relating to boat registration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 235.090 of the Kentucky Revised Statutes is amended to read as follows:

No later than the tenth day of each month the Circuit Court Clerk shall make a written report to the division which shall include the name and address of those persons who have applied for registration of motorboats, the length and type of such motorboat, and the registration fee charged and the amount of registration fee collected from the applicant. This report shall cover the period of the calendar month preceding this report. The original applications for registration and the fees collected by the clerk shall be forwarded with a copy of the said report to the Department of Revenue. The clerk shall collect from each owner a fee in the sum of *$1.00* [fifty cents] for each registration in addition to the registration fee.

SB 235, AN ACT relating to the compensation of county officers and employees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.530 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in subsections (2) and (3) of this section, the fiscal court of each county shall fix the compensation of every county officer and employe. For the purposes of this section, master commissioners and receivers in counties other than those containing a population of 75,000 or more, and justices of the peace and constables in all counties, shall be deemed to be county officers, and deputies or assistants of county officers shall be deemed to be county employes, but employes of county boards or commissions which are now authorized by law to fix the compensation of their employes shall not be deemed to be county employes for the purposes of this section. In the case of officers compensated from fees, or partly from fees and partly by salary, the fiscal court shall fix the maximum compensation that the officer may receive, from both sources, and also shall have authority to fix the number of deputies and assistants, and the compensation thereof, and the maximum amount that the officer may expend each year for expenses of his office. In the case of county officers elected by popular vote, the compensation of any such officer, and of his deputies and assistants, during the term of those in office on June 30, 1950, shall not be fixed at less than that fixed by the law in force and effect on November 1, 1949. In the case of county officers elected by popular vote, for terms commencing after June 30, 1950, the annual compensation of the officer and of his deputies and assistants shall be fixed by the fiscal court not later than the first Monday in May in the year in which such officers are elected, and shall not be changed during the term.

(2) Nothing in this section shall apply to county tax commissioners or their deputies, assistants and expenses, in any county, or to the circuit court clerk, county court clerk, sheriff, jailer, master commissioner or receiver, and their deputies, assistants and expenses, in counties having a population of 75,000 or more.

(3) Justices of the peace serving on a fiscal court in any county, and county commissioners serving on a fiscal court in any county other than one containing a city of the first, second, third or fourth class, shall be paid for their services, out of the county treasury, not to exceed fifteen dollars per day for each day of actual attendance of the meetings of the fiscal court. The fiscal court shall fix the amount to be received within the above limit, but with the exception of the terms that are being served on June 30, 1950, no change of compensation shall be effective as to any member of a fiscal court during his term of office. The compensation of county commissioners serving on fiscal courts in counties containing a city of the first, sec-

ond, third or fourth class shall continue to be limited as provided in subsections (1), (2), (3) and (4) of KRS 67.110, and nothing in KRS 64.480 to 64.760 is intended to authorize any change in such compensation during the term of any member. County commissioners or justices of the peace shall not receive any compensation for their services on the fiscal court, other than as provided in this section or subsections (1), (2), (3) and (4) of KRS 67.110, nor shall they receive any compensation for serving on committees of the fiscal court.

(4) Circuit court clerks in counties other than those containing a population of 75,000 or more shall receive as compensation per year the maximum compensation allowed by law for circuit court clerks of this Commonwealth, provided fees or funds for this purpose are sufficient. The first deputy shall be allowed to receive a salary not to exceed *$6600* [$5400] per year; the second deputy shall be allowed to receive a salary not to exceed *$5400* [$4800] per year and other deputies shall be allowed to receive a salary not to exceed *$4800* [$3600] per year. Each circuit clerk shall be allowed to fix the amount of the salary of each of his deputy clerks.

Section 2. The effective date of this Act shall be July 1, 1962.

SB 236, AN ACT relating to alcoholism.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 222.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any resident of the Commonwealth of Kentucky may apply for treatment for alcoholism by filing a written application with the clerk of the circuit court or with the clerk of the county court of the county in which he resides. Any such application shall be supported by a medical statement, made by a licensed physician, stating that in the opinion of the physician the applicant is an alcoholic and that the applicant is mentally competent to make such application.

(2) Upon receipt of such application by the clerk he shall refer the application to the proper court, and the court shall have the authority to order and direct treatment of the applicant as in KRS 222.150.

(3) Any applicant, committed under this section, having an estate which can be subject to debt, shall pay the cost of his own transportation and that of any attendant ordered by the court to accompany him to the institution to which he is ordered.

(4) *The clerk shall receive from the petitioner a fee of $10.00 for filing and processing the application for commitment.*

SB 237, AN ACT relating to the taking of the sense of the people of the state as to the necessity and expediency of calling a Constitutional Convention for the purpose of revising or amending the Constitution of the Commonwealth of Kentucky, and such amendments as may have been made to the same, as provided by Section 258 of the present Constitution of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the sense of the people of the state as to the necessity and expediency of calling a convention for the purpose of revising or amending the present Constitution, and such amendments as may have been made to the same, shall be taken as herein provided and as provided in Section 258 of the Constitution of Kentucky.

Section 2. When this act is passed at the present session of the General Assembly by a majority of all members elected to each house of the present General Assembly, that is, when a majority of all the members of each house shall concur by a yea and nay vote, to be entered upon their respective journals, this act shall be spread upon the respective journals of each house as a law.

Section 3. If the next General Assembly shall, in like manner, concur in this act after it becomes a law as herein provided, it shall provide for having a poll opened in each voting precinct in this state by the officers provided by law for holding general elections at the next ensuing regular election to be held for state officers which does not occur within ninety days from the final passage of such law, at which time and places the votes of the qualified voters shall be taken for and against calling the convention, in the same manner provided by law for taking votes in other state elections. The vote for and against said proposition shall be certified to the Secretary of State by the same officers and in the same manner as in state elections. If it shall appear that a majority voting on the proposition was in favor of calling a convention, and if the total number of votes for the calling of the convention is equal to one-fourth of the number of qualified voters who voted in the last preceding general election in this state, the Secretary of State shall certify the same to the General Assembly at its next regular session, at which session a law shall be enacted calling a convention to revise or amend the present Constitution of this State, and such amendments as may have been made thereto, only with respect to the subjects set out in Section 4 of this act, and no others. Nothing in this act shall be construed to permit any change in the Bill of Rights.

Section 4. The convention provided to be called by this act shall be limited in its consideration to the following subjects and shall consider no others:

(1) The judicial department and courts.

(2) Compensation of public officers and employes.

(3) The order of succession of persons entitled to act as Governor and the circumstances under which the Governor is disqualified to act.
(4) The Railroad Commission.
(5) The Legislative Department.
(6) The mode of revision or amendment of the Constitution.
(7) Incompatibility of offices.
(8) Promotion of Industrial Development.

Section 5. Before any Constitution agreed upon by a convention that may be called pursuant to this act and to Section 258 of the present Constitution shall take effect and become operative, the same shall be submitted to the qualified voters of this Commonwealth, after at least ninety days' notice, and ratified by a majority of those voting.

SB 248, AN ACT relating to the compensation of physicians employed by state agencies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.655 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in this section, unless the context clearly requires otherwise:

"Physician" means a person authorized by law to practice medicine in this state.

(2) [Notwithstanding the provisions of KRS 64.640 and 64.650, The Division of Personnel in the Department of Finance] *The Department of Personnel* may, upon recommendation of the hiring authority and with the approval of the Governor, establish rates of compensation and maintenance [within the constitutional limit] *in excess of and without regard to any limitation imposed by KRS 64.640 or any other existing statute,* for each position requiring the services of a qualified physician in any department, agency, or other unit of state government. Such rates shall be based upon studies of the duties and responsibilities of the positions and upon a comparison with rates being paid for similar or comparable services elsewhere.

SB 249, AN ACT relating to the Water Pollution Control Commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 220.640(3) of the Kentucky Revised Statutes is amended to read as follows:

The hearings provided for in this section may be conducted by the commission at a regular or special meeting thereof, or *may be* *conducted by hearing officers appointed by the director of the commission from a list of persons approved by the commission. Such hearings shall be conducted in the name of the commission at any time and place specified by the commission.* [by any member or members designated by the commission and authorized by it to conduct any such hearing in the name of the commission at any time or place to be specified by it] *Said hearing officers shall be paid on a per diem basis in accordance with rules and regulations of the commissioner.*

SB 250, AN ACT relating to the Teachers' Retirement System.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 161.705 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any member of the teachers' retirement system [, or the board of education employing such member, or both, may make voluntary contributions of two percent or more of such member's annual compensation to the retirement system for the benefit of such member] *may forego an increase in salary or authorize a reduction in salary by the district board of education, and may authorize the board to transmit such amounts to the teachers' retirement system. These funds shall be deposited in an individual account for the benefit of such member.* Such contribution shall be invested as provided in KRS 161.430.

(2) Upon retirement, any such member shall receive in addition to retirement allowances provided by law, such annuity as has been earned by [the voluntary contributions made by or for such member,] *the amounts deposited under the provisions of subsection (1),* computed upon an actuarial basis. The member shall have the same benefit options with respect to such additional annuity as are provided in KRS 161.630, excepting as provided in subsection (3) of this section.

(3) Upon the death or withdrawal from the retirement system of any member for any reason other than retirement, *or upon demand,* such member or the [estate] *beneficiary* of such member, [and the board of education,] shall [each] be reimbursed [respectively] for any [voluntary contributions] *deposits* made *under the provisions of subsection (1).* [by or on behalf of such member to the retirement system. Such reimbursement shall be made in a lump sum with average earned interest or a rate of interest fixed by the retirement board.] Upon death after retirement no such reimbursement shall be made.

(4) A board of education may make contributions to the teacher's retirement system for the purpose of securing additional annuities for teachers employed by the board. Upon the death or with-

drawal from the retirement system of any member for whom such contributions have been made, the board of education shall be reimbursed for contributions made for the benefit of such member.

(5) All funds received under the provisions of this section shall be credited with interest at a rate to be fixed annually by the board of trustees. Such rate shall not be less than the average annual rate earned on the total investments of the retirement system less ¼ of 1%.

SB 251, AN ACT relating to agriculture.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 260.705 of the Kentucky Revised Statutes is amended to read as follows:

Section 1. *(1) No distributor, processor, bulk milk handler, store or producer-handler, either directly or indirectly, or through a subsidiary or affiliate corporation, or by any officer, director, stockholder, employee, partner, agent or representative thereof, shall:*

(a) Sell, offer for sale or advertise for sale any milk, cottage cheese or frozen dairy product at less than the cost thereof to such distributor, processor, bulk milk handler, store or producer-handler.

(b) Discriminate in price in the sale of any milk, cottage cheese, or frozen dairy product between different towns, cities, municipalities, counties, sections or communities, or portions thereof or locations therein, in this state, by selling, offering to sell or advertising for sale milk, cottage cheese or frozen dairy product at a lower price in one town, city, municipality, county, section, or community, or portion thereof or locations therein, than in another, after making allowance for difference, if any, in the grade or quality of the product sold and in the actual cost of transportation to point of delivery.

(c) Sell, offer for sale or advertise for sale any milk, cottage cheese or frozen dairy product in a Federal Milk Order area other than the Federal Milk Order area in which the milk, cottage cheese, or frozen dairy product is processed without adjusting the price thereof to comply with KRS 260.705 (1) (a) as if the milk, cottage cheese, or frozen dairy product were processed in the other Federal Milk Order area.

(d) Give or offer to give, or receive, any type of discount or rebate including but not limited to quantity discounts, central billing discounts, advertising discounts, earned service discounts, private label discounts, and concealed discounts through the furnishing or sale of cartons or containers at inflated or fictitious prices, to any purchaser or consignees in connection with the sale of consignment of milk, cottage cheese or frozen dairy product. All cooperative advertising must be paid for by those cooperating, at the actual cost of the advertising proportioned to the amount of space applicable to each party and charged to the original advertising.

(e) Give, or offer to give, or receive, any free service or services, financial aid, or any thing of value to any purchaser or consignee in connection with the sale or consignment of milk, cottage cheese or frozen dairy product.

(f) Furnish, sell, give, lend or rent any equipment to a purchaser or consignee of milk, cottage cheese, or frozen dairy products or be in receipt of any equipment, except:

1. The distributor, processor, bulk milk handler, store or producer-handler, under a bill of sale describing the property sold and specifying the price and filed by him with the Milk Marketing Commission within 10 days after delivery of the equipment described therein, may sell equipment for the storage and display of milk, cottage cheese and frozen dairy products to a purchaser or consignee of milk, cottage cheese and frozen dairy products, but the terms of the sale must be cash and the selling price shall be not less than the cost to the seller, less fifteen percent per year depreciation, plus transportation and installation costs, plus at least ten percent, but in no event shall it be less than $50.00 per unit.

2. The distributor, processor, bulk milk handler, store or producer-handler may provide without restriction coin vending machines from which the product vended is consumed on the premises.

3. The distributor, processor, bulk milk handler, store or producer-handler may place his refrigeration equipment on the premises of any purchaser or consignee of milk, cottage cheese, and frozen dairy products and maintain the same without payment so long as such refrigeration equipment is used exclusively for the storage of its products located in an area other than the selling area of the premises and is not used by said purchaser or consignee for selling at retail any milk, cottage cheese or frozen dairy products stored or placed therein.

4. The distributor, processor, bulk milk handler or producer-handler may place his refrigeration equipment on the premises of any amusement park, swimming pool, race track, summer camp, or like seasonal installation, from which milk, cottage cheese or frozen dairy products may be stored or sold; providing however, that in such instances, the equipment is placed for no longer than one hundred and twenty days per year.

5. If the distributor, processor, bulk milk handler or producer-handler has refrigeration equipment which he owns actually on the premises of customers on a rental basis on the effective date of this Act, he may continue to provide such equipment on a rental basis so long as the equipment is not exchanged or replaced for other equipment and the rental being charged actually covers the cost of the distributor, processor, bulk milk handler or producer-handler in so *furnishing equipment on a rental basis. It is to be the effect of this provision to allow the existing rental agreements to exhaust themselves through the wearing out of the equipment on location on the effective date of this Act and all new equipment and exchange equipment must be sold in compliance with KRS 260.705 (1) f 1.*

(g) Maintain or make repairs of any equipment owned by a purchaser or consignee of milk, cottage cheese and frozen dairy products except those used for milk, cottage cheese, and frozen dairy products. On such repairs the distributor, processor, bulk milk handler, store, or producer-handler shall make charges for the service and parts at the same prices as are charged by third persons rendering such service in the community where the purchaser or consignee is located and in no event shall the charges be less than the cost thereof plus a reasonable margin of profit and in no event shall the terms of payment for service charges exceed thirty days.

(h) Furnish, give, lend, sell or rent to any purchaser or consignee of milk, cottage cheese, or frozen dairy products any advertising material of any form except matter advertising the products of such distributor, processor, bulk milk handler, store or producer-handler, and provided that if such advertising material is furnished, given, loaned, sold or rented not more than one third of such space or cost of such advertising material shall be used to identify the purchaser or consignee.

(i) Attach to or print on any bottle, jug, carton or package of milk, cottage cheese or frozen dairy products, a stamp, coupon or label of any redeemable value.

(j) Give, offer or advertise to give any stamps, coupons, or redeemable certificates with the sale of milk, cottage cheese or frozen dairy products where such stamps, coupons, or redeemable certificates are given, offered or advertised to be given away with specific relation to said sale or connected therewith specifically. Nothing in this section shall prohibit the giving of stamps, coupons, or redeemable certificates based on total over the counter dollar or portion of dollar sales given in such instances where the stamps, coupons, or certificates are given as the result of the accumulated value of the sale including milk, cottage cheese and frozen dairy products, except the net sale price in all instances shall be above cost.

*(k) Make payments of money, credit, gifts or loans to the pur-*chaser or consignee of milk, cottage cheese, and frozen dairy products as rental for the storage or display of milk, cottage cheese and frozen dairy products on the premises where they are offered for sale by the purchaser or consignee.

(1) Extend or give credit to any purchaser or consignee in excess of 30 days payable 15 days thereafter.

(2) The provisions of sub-section (1) shall not apply to advertisements or offers to sell or sales made:

(a) In closing out in good faith the owner's stock or any part thereof for the purpose of discontinuing his trade or business if notice given to the public thereof;

(b) When the milk, cottage cheese or frozen dairy product is damaged or deteriorated in quality and notice is given to the public thereof;

(c) By an officer acting under the orders of any court;

(d) In an endeavor made in good faith to meet the prices of a competitor selling the same unit article in the same locality or trade area.

(3) Each of the practices described in section (1) is declared to be illegal and from the effective date of this Act, it shall be unlawful for any person, firm or corporation to be engaged in such practices.

[(1) No distributor, processor, bulk milk handler, store or producer-handler, either directly or indirectly, or through a subsidiary or affiliate corporation, or by any officer, director, stockholder, employe, partner, agent or representative thereof, shall for the purpose or with the effect of restraining, lessening or destroying competition or injuring one or more competitors or injuring one or more persons dealing in milk, cottage cheese, or frozen dairy products or to impair or prevent fair competition in the sale of milk, cottage cheese or frozen dairy products in this state, threaten or engage in any marketing practice established to be unreasonable by the commission, including, but not limited to, the marketing practices or methods of doing business described in this section:

(a) Advertise for sale any article or product at less than the cost thereof to such vendor, or give, offer to give or advertise the intent to give away any article or product, for the purpose of injuring competitors and destroying competition, or with the effect of otherwise injuring a competitor, or of destroying competition, or of creating a monopoly;

(b) Discriminate in price in the sale of any milk, cottage cheese, or frozen dairy products between different towns, cities, municipalities, counties, sections or communities, or portions thereof or locations therein, in this state, by advertising, offering to sell or selling milk, cottage cheese or frozen dairy products at a lower price in one town, city, municipality, county, section, or community, or portions thereof or locations therein, than in another, after making allowance for difference, if any, in the grade or quality, and in the actual cost of transportation to point of delivery;

(c) Give, or offer to give, or allow any secret rebate, unearned discount, free equipment or any other thing of value to any purchaser of consignee in connection with the sale or consignment of milk, cottage cheese or frozen dairy products;

(2) The provisions of subsection (1) shall not apply to advertisements or offers to sell, or sales made:

(a) In closing out in good faith the owner's stock or any part thereof for the purpose of discontinuing his trade or business if notice is given to the public thereof;

(d) When the milk, cottage cheese or frozen dairy products is damaged or deteriorated in quality and notice is given to the public thereof;

(c) By an officer acting under the orders of any court;

(d) In an endeavor made in good faith to meet the legal prices of a competitor selling the same article in the same locality or trade area.

(3) No distributor, processor, bulk milk handler, or producer-handler, shall furnish, give, lend, sell or rent to any store any advertising material of any form except matter advertising the products of such distributor, processor, bulk milk handler, or producer-handler, and provided that if such advertising is furnished, given, loaned, sold or rented not more than one-third of such space or cost of such advertising matter shall be used to identify the store.]

Section 260.715 of the Kentucky Revised Statutes is amended to read as follows:

Section 2. (1) The commission is authorized and empowered:

(a) To call together milk dealers or handlers and producer-handlers for the purpose of inquiry into marketing practices prevailing from time to time in this state, and if need be, to conduct investigations and/or hearings in connection with such practices for the purpose of making findings relative to any marketing practice found to exist within this state involving the sale or distribution of milk, cottage cheese, or frozen dairy products [covered by KRS 260.675 to 260.760,] and thereafter to promulgate reasonable rules or regulations for the elimination of any such practices found *by the Commission to be unfair, unjust, disruptive, demoralizing, and/or fraudulent and found as having the effect of restraining, lessening or destroying competition;* [to be contrary to the Provisions of KRS 260.675 to 260.760]

(b) To establish as a public record the minimum prices applicable to the milk deliveries of producers to a processor or a distributor. Such prices shall be used solely for the purpose of computing the cost of a processor or a distributor pursuant to KRS 260.680 (12) (b). These minimum prices shall, in the discretion of the commission, be established for a processor or a distributor located or distributing milk or milk products in marketing areas as defined by counties or other appropriate geographical subdivision;

(c) To grant, decline to grant, revoke or suspend any license required under KRS 260.730.

(2) Upon receipt of a written complaint filed with the commission by any milk dealer or handler, producer-handler or recognized association thereof, the commission may initiate proceedings, for the purpose of hearing and investigating evidence of the failure or refusal of any person to comply with the provisions of KRS 260.675 to 260.760 or the rules, regulations and orders of the commission issued thereunder after first giving five days' notice to the alleged violators as to the date and time fixed for the hearing and the nature of the charge or charges. Each witness required to attend the hearing shall be entitled to receive mileage customarily paid to the witnesses in the courts of the Commonwealth. The commission shall not be bound by technical rules of evidence, except as may be required by the applicable administrative procedure laws of the Commonwealth.

(3) The commission shall have the power during the course of an investigation or hearing to issue subpoenas requiring the attendance and testimony of, or the production of books and records by, any person believed to have information of importance to the hearing or investigation, or possessing any books or records of importance to the hearing or investigation.

(4) Any person who refuses to obey a subpoena issued by the commission, or refuses to be sworn or affirmed, or testify, or who is guilty of any contempt after summons to appear, may be punished as for contempt of court. For this purpose, an application may be made by the commission to the court of the circuit within whose territorial jurisdiction the hearing or investigation is being conducted.

(5) Every rule, regulation or order of the commission shall be posted for public inspection in the main office of the commission and copies of such rule, regulation or order shall be made available and mailed to all licensees and producer groups and organizations affected thereby. Such rule, regulation or order of the commission, when duly posted or when properly served, shall have the force and effect of law.

Section 3. Section 260.745 of the KRS is amended to read as follows:

(1) A party affected by an order of the commission may file a petition for review in the Circuit Court of *Franklin County* [the county in which he resides] within twenty days after the service of the final decision of the commission.

(2) Copies of the petition shall be served upon the commission and all other parties of record. The court, in its discretion, may permit other interested parties to intervene. The filing of the petition shall not stay enforcement of the commission's decision; but the commission may do so, or the reviewing court may order a stay upon such terms as it deems proper.

(3) Within twenty days after service of the petition, or within such further time as the court may allow, the commission shall transmit to the reviewing court the original or a certified copy of the entire record under review; but, by stipulation of all parties to the review proceeding, the record may be shortened. Any party unreasonably refusing to stipulate to limit the record may be taxed by the court for the additional costs. The court may require or permit subsequent corrections or additions to the record when deemed desirable.

(4) The review shall be conducted by the court without a jury and shall be confined to the record, except that in cases of alleged irregularities in procedure before the commission, not shown in the record, testimony thereon may be taken in the court. The court shall, upon request, hear oral argument and receive written briefs.

(5) The court may affirm the decision of the commission or remand the case for further proceedings; or it may reverse or modify the decision if the substantial rights of the petitioners may have been prejudiced because the administrative findings, inferences, conclusions, or decisions are:

(a) In violation of constitutional provisions;

(b) In excess of the statutory authority or jurisdiction of the agency;

(c) Made upon unlawful procedure;

(d) Affected by other error of law;

(e) Unsupported by competent, material, and substantial evidence in view of the entire record as submitted;

(f) Arbitrary or capricious.

Section 4. Section 260.750 of the KRS is amended to read as follows:

(1) In addition to the annual license fee there is imposed an assessment on all milk, except bulk milk, and on cottage cheese and frozen dairy products sold in the Commonwealth or packaged or processed in the Commonwealth for distribution therein. The assessment shall be a fee of not more than four mills per *hundredweight* [hundred weight] on all milk used or processed in packaged or processed milk and cottage cheese; a fee of not more than one mill on each gallon of frozen dairy products with the exception of ice cream mix; and one quarter mill per dozen frozen novelties; and a fee of two mills on each gallon of ice cream mix. The commission may fix such assessment fees at lesser amounts and adjust such fees from time to time.

(2) The assessment fees shall be paid to the commission by:

(a) Each distributor with respect to the sale or disposition of milk, cottage cheese and frozen dairy products to consumers, or stores, or other distributors, within the Commonwealth; and

(b) Each store with respect to its purchases of milk, cottage cheese or frozen dairy products from any source other than from distributors who are subject to the reporting and payment provisions of this section.

(3) (a) The assessment fees shall be payable to the commission on or before the last day of the month following the month during which such products were sold or disposed of. Such returns shall be on forms to be prescribed and furnished by the commission, and shall contain such information as the commission may require. The commission may in addition require each milk dealer or handler, including a producer-handler, to file a return with the commission for any month, giving such information as the commission may require.

(b) All information furnished to or acquired by the commission pursuant to KRS 260.675 to 260.760 shall be kept confidential by all members and employes of the commission and only such information as the commission deems relevant shall be disclosed by it, and then only in an administrative or court proceeding.

(c) *In any trading area where the Commission has acknowledged a survey or done an accounting on an individual plant, such survey or accounting shall be admissable as evidence in any hearing involving cost of any processor, distributor or store located in the same trading area about which there is a complaint, hearing or investigation.*

(4) The assessment fees provided by KRS 260.675 to 260.760 shall not apply to milk, cottage cheese and frozen dairy products used or consumed on the farm where produced or manufactured, or distributed or sold by producer-handlers and stores in a total quantity not to exceed an equivalent of two thousand pounds of whole fluid milk during a day.

Section 5. *KRS 260.675 to 260.765 shall not be construed as replacing any laws of the Commonwealth relating to trade laws, but shall be held and construed as ancillary and supplementary thereto, except to the extent that the same may be in direct conflict with KRS 260.675 to 260.765.*

Section 6. Section 260.991 of the Kentucky Revised Statutes is amended to read as follows:

Any person who is subject to licensing under KRS 260.730 and who fails to obtain such license, or having had a license revoked and continues to sell milk, cottage cheese or frozen dairy products, shall be guilty of a misdemeanor and upon conviction shall be fined not more than five hundred dollars or imprisoned for not less than one day nor more than thirty days, or both. Each day's violation shall constitute a separate offense.

[Any person who holds a license or is subject to licensing under KRS 260.675 to 260.760 who violates any provision of KRS 260.675 to 260.760 or any rules, regulation or order of the commission shall be fined not more than five hundred dollars or imprisoned for not less than one day nor more than thirty days, or both, for each offense. Each day's violation is to constitute a separate offense.]

Section 7. Section 260.680 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 260.675 to 260.760, unless otherwise required by context:

(1) "Commission" means the Milk Marketing and Anti-monopoly Commission;

(2) "Commissioner" means the Commissioner of Agriculture, Labor and Statistics;

(3) "Person" means any individual, corporation, partnership, association, cooperative, or other business unit;

(4) "Producer" means every person who produces milk or cream from cows and thereafter sells the same as milk, cream, or other dairy products;

(5) "Producer-handler" means any person who maintains his own herd, prepares for human consumption the milk or cream or other dairy products produced from the herd, and distributes and sells his own products, partially or exclusively, to customers or to others for sale to consumers;

(6) "Milk dealer" or "handler" means any person, including any distributor, processor, bulk milk handler, or operator of a store, who purchases or receives on consignment or otherwise, milk, cottage cheese or frozen dairy products, as hereinafter defined, within the state, for sale, shipment, storage, processing or manufacture, other than for consumption on the premises; a producer who delivers milk only to a processor, distributor or bulk milk handler shall not be deemed a milk dealer or handler; if a cooperative distributes or makes available on consignment or otherwise, milk, cottage cheese or frozen dairy products, within this state, to any person, it shall be deemed to be a milk dealer or handler as to that part of its business;

(7) "Consumer" means any person, other than a milk dealer or handler, who purchases milk, cottage cheese, or frozen dairy products for the consumption or use by himself or others;

(8) "Cooperative" means the term as defined in KRS Chapter 272, or an association organized under similar laws of another state;

(9) "Licensee" means a licensed milk dealer or handler;

(10) "Distributor" means any person, other than a bulk milk handler, engaged in the business of distributing milk, cottage cheese or frozen dairy products at wholesale or retail to consumers, stores or other distributors;

(11) "Processor" means any person engaged in the business of processing or packaging bulk milk and other materials into milk, cottage cheese or any frozen dairy products;

(12) "Cost [to] of the processor [or] distributor" means the price paid for raw materials, plus the cost of doing business, *averaged to a point or unit of sale,* as evidenced by the *method of accounting adopted by the Milk Industry Foundation, 1145 19th Street, N. W., Washington 6, D. C., and copyrighted in 1959 by the International Association of Ice Cream Manufacturers, 1105 Bar Building, Washington 6, D. C., which method of accounting shall be adopted by the Milk Marketing Commission provided for in this Act, copies of which method of accounting shall be on file in the office of the Commissioner of Agriculture and made available to the public at all times.* [Standards and methods of accounting regularly employed by such processor or distributor.] The cost of doing business means all cost of doing business incurred in the conduct of the business and shall include without limitation the following items of expense: Labor, (including salaries of executives and officers, *and/or reasonable compensation for the owners of an unincorporated business where such owners devote their time and efforts to the business),* rent, interest on borrowed capital, depreciation, power supplies, maintenance of equipment, selling costs, transportation, delivery cost, credit losses, all overhead expense, and all types of licenses, taxes, insurance and advertising; provided, however, that for the purpose of computing the cost of the processor or the distributor with respect to the milk deliveries received from producers or their marketing agent, the cost shall be; not less than:

(a) The amount computed at the applicable minimum federal order price as it applies to the processor or the distributor who is subject to the classification and pricing provisions of a federal marketing agreement or order issued pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, or

(b) The amount computed at such minimum price or prices as may have been fixed by the official order of the commission for the geographic area in which the plant of the processor or the distributor is located as it applies to the processor or the distributor who is not subject to the classification and pricing provisions of a federal marketing agreement or order issued pursuant to the Agricultural Marketing Agreement Act of 1937, as amended.

(13) "Bulk milk" means milk in bulk form, in cans, tank cars or tank trucks, that is furnished to a processor for the purpose of processing and manufacturing into milk, cottage cheese, or frozen dairy products, or any combination thereof;

(14) "Bulk milk handler" means any person engaged in the business of disposing of bulk milk to a processor, provided, that the term "bulk milk handler" shall not include a cooperative association with respect to the sale of the milk of its members;

(15) "Cost of a bulk milk handler" means the price paid dairy farmers for the milk, plus receiving plant charge or a reasonable

charge to cover all costs of operating his own receiving plant, plus transportation cost to the point of delivery to the purchaser;

(16) "Store" includes any mercantile establishment that sells, at retail, milk, cottage cheese or frozen dairy products;

(17) "Cost to the store" means the invoice price paid by the retailer plus the retailer's cost of doing business, as evidenced by the standards and methods of accounting regularly employed by such store, including, but not limited to, all costs incurred in the conduct of said store such as labor (including salaries of executives and officers), rent, interest on borrowed capital, depreciation, power, supplies, maintenance of equipment, selling costs, advertising, transportation, delivery costs, credit losses, all overhead expenses, and all types of licenses, taxes, insurance and advertising;

(18) "Milk" means fluid milk, sweet cream, sour cream, skim milk, flavored milk, buttermilk, and condensed or concentrated whole or skim milk for use in fluid milk products;

(19) "Cottage cheese" means the soft uncured cheese prepared from the curd obtained by adding bacteria, with or without enzymatic action, to skim milk or reconstituted skim milk, prepared with or without mixture with cream or mixture of cream and milk or skim;

(20) "Frozen dairy products" means ice cream, ice cream mix, and any frozen substance, mixture or compound, regardless of the name under which it is represented, which is made in imitation or semblance of ice cream or sherbet, when prepared or manufactured for commercial purposes;

(21) "Books and records" means all pertinent books, ledgers, journals, records, papers, memoranda, correspondence, vouchers, bills, receipts, canceled checks, accounts, exhibits, photographs and other documents.

Section 8. Section 260.685 of the Kentucky Revised Statutes is amended to read as follows:

(1) There is hereby created the milk marketing and anti-monopoly commission, which shall consist of [six] *seven* members. The membership of this commission shall be composed of the Commissioner of Agriculture, Labor and Statistics, who shall hold office ex officio, and [five] *six* others selected by the Governor, one shall be appointed from a list of four persons submitted by the Director of the Agricultural Experiment Station, one shall be appointed from a list of four persons submitted by the Kentucky Farm Bureau Federation and one shall be appointed from a list of four persons submitted by the Dairy Products Association of Kentucky. Three shall be selected and appointed by the Governor, at least one of which shall be active in retail trade selling milk, cottage cheese or frozen dairy products. Both the Dairy Products Association of Kentucky and the

Kentucky Farm Bureau Federation shall present two names from the first four congressional districts and two names from the *remaining congressional districts,* [second four congressional districts.] and one member shall be selected from each of the two groups of congressional districts. All members shall be citizens of the United States and residents of the Commonwealth.

(2) All members shall serve a term of four years and until their successors are appointed and qualified, except that the five members first appointed shall hold office as follows: One for one year, one for two years, one for three years, and two for four years, from June 16, 1960. Vacancies occurring during a term shall be filled by appointment for the unexpired term as provided in subsection (1) of this section.

(3) The Commissioner of Agriculture, Labor and Statistics shall be the chairman of the commission and the commission shall select a vice-chairman from among its members. The chairman and vice-chairman shall preside at all meetings and vote as any other member.

(4) Any action or order of the commission shall require the approval of at least four members.

(5) All members of the commission shall be reimbursed for their actual expenses and each appointed member shall be paid, in addition, twenty dollars for each day spent in the discharge of his official duties. No member of the commission during his tenure of office shall hold any other office under the laws of the Commonwealth or the United States, with the exception of the Commissioner of Agriculture, Labor and Statistics.

(6) The office of the commission shall be in the Department of Agriculture, Labor and Statistics at the State Capitol in Frankfort.

(7) The commission shall be called into session at such times as there are matters for its consideration. It shall meet at least once each calendar year at Frankfort or at such other place that may be determined.

(8) The commissioner may, and at the request of four members shall, call the meetings of the commission. Four members shall constitute a quorum. Four members may call the commission together for the transaction of business, if the commissioner, upon request of four members, refuses to call it.

SB 258, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 100.370 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commission may employ and discharge city and regional planners, landscape and other architects, engineers, draftsmen, clerks and other subordinates and obtain other professional services necessary for the performance of its functions.

(2) The commission has the same authority to appoint and fix the compensation of one or more "Zoning Enforcement Officers" and to fix a schedule of fees for permits as is given to the planning commissions of counties containing a city of the first class by KRS 100.074 and the provisions of KRS 100.075 relating to zoning permits, certificate of occupancy and conditions of issuance in counties containing a city of the first class shall be applicable in counties containing a city of the second class.

SB 259, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 100.351 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commission may exercise the same powers in relation to the county area as it has in relation to the city and municipal area as provided in KRS 100.350.

(2) The territorial jurisdiction of the commission over planning, zoning and the subdivision of land shall extend to all unincorporated land within the planning area as such area may be determined by the commission and its jurisdiction in respect thereto shall supercede and be paramount to that of any other city located in the county.

SB 260, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 100.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) Cities of the second class and counties containing such cities may establish a planning commission for the city and county area.

(2) Any other incorporated municipality located in the county may avail itself of the benefits of KRS 100.320 to 100.490 at any time with the consent of the county and the city. Thereafter after the incorporated municipality, and the territory within its boundaries shall be subject to the provisions of KRS 100.320 to 100.490 as set forth in the terms agreed upon.

SB 261, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 100.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 100.320 to 100.990, unless the context requires otherwise:

(1) "Mayor" means the chief elected official of the city whether the official designation of his office is mayor, chairman of the board of trustees or otherwise;

(2) "Legislative body" means the chief legislative body of the city, whether it is a board of aldermen, general council, board of commissioners, or otherwise;

(3) "Streets" includes streets, avenues, boulevards, roads, lanes, alleys, viaducts and other ways;

(4) "Subdivision" means the division of a tract of land into two or more divisions for the purpose, whether immediate or future, of sale or of building development and includes resubdivision;

(5) "County commissioners" means the chief administrative or legislative body of the county;

(6) "Planning area" means the city and adjoining territory which by reason of existing or future development bears relation to the proper growth and development of the city *as it may be determined by the commission and may include the entire county;*

(7) "Commission" means planning commission; [and]

(8) "County area" means the unincorporated area of the county in which the second class city is located [.]; *and*

(9) "Municipal area" means the same as and is synonymous with planning area in counties containing a city of the second class.

SB 263, AN ACT relating to Homes for the Aged or Infirm.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 216.610 of the Kentucky Revised Statutes is amended to read as follows:

The following words and phrases when used in KRS 216.610 to 216.700 shall have the meanings respectively ascribed to them in this section.

(1) "Home *for the aged or infirm*" means [and shall be construed to include any building, structure, agency, institution or other facility not operated by a federal, state, county, or municipal government and which cares] *any privately operated establishment, however named, which is used or offered for use, whether for a consideration or not, in the care of* four or more aged or infirm persons, not related to the operator [for twenty four or more hours in any week.] *within the 3rd degree of consanguinity.* [The existance of any such place shall constitute prima facie evidence that it is a home.] As used in KRS

216.610 to 216.700 the term [shall include but not be limited to:] *"Home for the Aged or Infirm" shall not include a nursing home licensed by the Hospital Licensure Division, Kentucky State Board of Health under KRS 216.400 to KRS 216.500.*

[(a) "Nursing home" means a facility which provides routine medical care in which physicians regularly visit patients, which provides nursing services and procedures employed in and caring for the sick which require training, judgment, technical knowledge, and skills beyond that which the untrained person possesses, and which maintains complete records on patient care;]

[(b) "Personal care home" means a place devoted primarily to the maintenance and operation of facilities for the care of aged or invalid persons who do not require the intensive care normally provided in a hospital or nursing home but who do require care in excess of room, board and laundry.]

(2) The term [persons] *person* means any individual, firm, partnership, corporation, company, association or joint stock association and the legal successor thereof.

(3) The term "department" means the Department of Economic Security.

(4) The term "commissioner" means the Commissioner of the Department of Economic Security.

(5) *The term "Aged" means a person 65 years of age or over.*

(6) *The term "infirm person" means any adult person materially lacking in bodily or mental strength.*

(7) *Administrator means the owner, lessee, manager, agent, or the person in charge of a home for the aged or infirm.*

Section 2. Section 216.630 of the Kentucky Revised Statutes is amended to read as follows:

All homes *for the Aged or Infirm* shall make provisions for and comply with reasonable standards established by the Department for fire protection and safety, plumbing and sanitation, lighting, heating and ventilation, living arrangements, diet and health facilities, and such other factors as may be necessary to promote the health and welfare of the residents. [cared for]

Section 3. Section 216.640 of the Kentucky Revised Statutes is amended to read as follows:

[Licensed hospital or Nursing homes entitled to License] The Commissioner shall have the power and authority to adopt, amend, and promulgate such rules, regulations and standards as he deems necessary or suitable for the proper administration of KRS 216.610 to 216.700 within the limitations and for the purposes described in

KRS 216.630. [Any nursing home or hospital licensed under the provisions of this chapter other than pursuant to KRS 216.610 to 216.700, shall be entitled to the automatic issuance of a license under KRS 216.610 to 216.700, upon receipt of such information as the commissioner may require concerning it.]

Section 4. Section 216.650 of the Kentucky Revised Statutes is amended to read as follows:

Inspections of homes *for the aged or infirm* shall be made as required by the Commissioner and in accordance with the rules and regulations adopted and promulgated hereunder. Reports of such inspections shall be made in writing and shall be filed with the Commissioner. Free access for inspection shall be given to [the home premises] *currently licensed facilities, facilities which have applied for license and to facilities where there are reasonable grounds for believing that they may be subject to the provisions of the act at any time.*

Section 5. Section 216.660 of the Kentucky Revised Statutes is amended to read as follows:

(1) It shall be unlawful for any person to conduct, maintain or operate a home *for the aged or infirm* within this state without a license obtained for that purpose from the Department.

(2) An application for a license for a home *for the aged or infirm* shall be made in writing to the Department upon forms provided by it and shall be in such form and shall contain such information as the Department requires. Such application shall be signed by the owner or person responsible for the operation of the home, or by the duly authorized officer or responsible agent thereof.

(3) Upon receipt of an application for a license, the Department shall issue a license if the applicant and the home meet the requirements established by the Department.

(4) A license to operate a home *for the aged or infirm* shall expire [at the end of the fiscal year in which it was issued] *on the thirtieth day of June next following the date upon which it was issued.* It shall not be assignable or transferable, shall be issued only for the person and premises named in the application, shall be posted in a conspicuous place in the home, and may be renewed annually in accordance with such rules and regulations as the Commissioner may promulgate relative to the renewal of such licenses. *Only the licensee to whom a license had been issued for certain premises prior to current construction regulations may retain this license as long as other standards are maintained.*

In the event of a change in the ownership, these premises are subject to all current laws, rules and regulations pertaining to homes for the aged or infirm.

(5) All [certificates of approval] *licenses* issued by the Department of Economic Security for homes which are in force upon [July 1, 1960] *July 1, 1961* shall continue in force until the date of expiration, unless sooner revoked as provided in KRS 216.610 to 216.700.

Section 6. Section 216.670 of the Kentucky Revised Statutes is amended to read as follows:

A provisional license may be issued to any home for the *aged or infirm* which is temporarily unable to conform to all the rules, regulations and standards established under KRS 216.610 to 216.700 provided that the issuance of such provisional license shall be approved by other state agencies or authorities authorized by law to adopt, amend and promulgate rules, regulations and standards pertaining to all homes to be licensed by KRS 216.610 to 216.700. [A Provisional license] *Provisional licenses* shall remain in effect for a period of time prescribed by the commissioner but not to exceed twelve *consecutive* months from the date of issuance, *in any three year period,* provided that the licensee shows evidence of good faith in his efforts to conform to the rules, regulations and standards established under KRS 216.610 to 216.700. [No more than one provisional license shall be issued to the same applicant within a three year period.]

Section 7. Section 216.680 of the Kentucky Revised Statutes is amended to read as follows:

The commissioner may deny, suspend or revoke a license on any of the following grounds:

(1) Failure to meet or violation of any of the provisions of KRS 216.610 to 216.700 or the rules and regulations lawfully promulgated pursuant thereto;

(2) Permitting, aiding or abetting the commission of any illegal or immoral act in the home;

(3) Conduct or practice found by the commissioner to be detrimental to the welfare of the residents of the home.

(4) *Failure to file reports or pay contributions as required under KRS Chapter 341.000.*

Section 8. Section 216.700 of the Kentucky Revised Statutes is amended to read as follows:

Notwithstanding the existence or pursuit of any other remedy, the department may in the manner provided by law, maintain an action in the name of the State of Kentucky for injunction or other process against any person or agency to restrain or prevent the establishment, conduct, management or operation of a home *for aged or infirm* without a license under KRS 216.610 to 216.700. In any such court proceedings, the department may apply for and on due showing be entitled to have issued the court's subpoena requiring forthwith the appearance of any defendant and his employes, and the production of documents, books and records as may appear necessary for the hearing of such petition, to testify and give evidence concerning the acts or conduct or things complained of in such application for injunction. In such action the [Equity Courts] *Circuit Court of the county in which the home for aged or infirm is located* shall have jurisdiction [of] *ove*r the subject matter and a judgment may be entered awarding injunctions as may be proper.

Section 9. Section 216.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who opens or keeps open a private lying-in hospital for women without obtaining the permit prescribed by KRS 216.250 shall be fined not less than two hundred and fifty dollars nor more than five hundred dollars, or be imprisoned in the county jail not less than two months nor more than six months, or both.

(2) The establishing, conducting, managing, or operating of any hospital without a license required under this law shall be punishable by a fine of not less than one hundred dollars nor more than five hundred dollars for the first offense and by a fine of not less than five hundred dollars nor more than one thousand dollars for each subsequent offense. Each day of violation of any of the provisions of KRS 216.400 to 216.500 shall be considered a separate offense.

(3) Any person conducting, maintaining or operating or participating in the conducting, maintenance, or operation of a home *for the aged or infirm* in this state without a license under KRS 216.610 to 216.700 shall be guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $100 for the first offense and not less than $50 nor more than $100 for each subsequent offense, and each day of continuing violation shall be considered a separate offense.

SB 264, AN ACT relating to the University of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 164.220 of the Kentucky Revised Statutes is amended to read as follows:

The board of trustees may appoint a president, professors, assistants, tutors, and other *employes,* [officers] and determine the *compensation,* [salaries] duties, and official relations of each. In the appointment of presidents, professors, or instructors no preference shall be shown to any religious denomination. The board of trustees shall provide *for the compensation* [a definite salary] for all positions created and filled by the board. [and there shall be no addition thereto in the form of fees, perquisites or emoluments of any kind.] *In addition thereto, the board may provide for employe retirement benefits and such other employe benefits as are related to and usual to the employment services rendered and it is authorized to expend funds for these purposes.*

SB 265, AN ACT proposing an amendment to the Constitution of Kentucky relating to education; amending sections 91, 93, 95, and 183.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 91 of the Constitution of the Commonwealth of Kentucky is amended to read as follows:

A Treasurer, Auditor of Public Accounts, Register of the Land Office, Commissioner of Agriculture, Labor and Statistics, Secretary of State, and Attorney General [and Superintendent of Public Instruction,] shall be elected by the qualified voters of the State at the same time the Governor is elected, for the term of four years, each of whom shall be at least thirty years of age at the time of his election, and shall have been a resident citizen of the State at least two years next before his election. The duties of all these officers shall be such as may be prescribed by law, and the Secretary of State shall keep a fair register of and attest all the official acts of the Governor; and shall, when required, lay the same and all papers, minutes and vouchers relative thereto before either House of the General Assembly. The officers named in this section shall enter upon the discharge of their duties the first Monday in January after their election, and shall hold their offices until their successors are elected and qualified.

Section 2. Section 93 of the Constitution of the Commonwealth of Kentucky is amended to read as follows:

The Treasurer, Auditor of Public Accounts, Secretary of State, Commissioner of Agriculture, Labor and Statistics, Attorney General [Superintendent of Public Instruction] and Register of the Land Office shall be ineligible to reelection for the succeeding four years after the expiration of the term for which they shall have been elected. The duties and responsibilities of these officers shall be prescribed by law, and all fees collected by any of said officers shall be covered into the treasury. Inferior State officers, not specifically provided for in this Constitution, may be appointed or elected, in such manner as may be prescribed by law, for a term not exceeding four years, and until their successors are appointed or elected and qualified.

Section 3. Section 95 of the Constitution of the Commonwealth of Kentucky is amended to read as follows:

The election under this Constitution for Governor, Lieutenant Governor, Treasurer, Auditor of Public Accounts, Register of the Land Office, Attorney General, Secretary of State, [Superintendent of Public Instruction,] and Commissioner of Agriculture, Labor and Statistics, shall be held on the first Tuesday after the first Monday in November, eighteen hundred and ninety-five, and the same day every four years thereafter.

Section 4. Section 183 of the Constitution of the Commonwealth of Kentucky is amended to read as follows:

The General Assembly shall, by appropriate legislation, provide for an efficient system of common schools throughout the State. *There shall be a State Board of Education which shall have such duties as prescribed by law. The State Board of Education shall consist of seven members, who shall severally hold their offices for the term of seven years, each of whom shall be at least thirty years of age at the time of his appointment, and shall have been a resident citizen of the state for at least two years next before his election and shall be a resident of the district from which he is appointed. The General Assembly shall divide the state by counties, into seven districts as nearly equal in population and compact in form as possible and it may, every ten years thereafter, redistrict the state in like manner. The Governor shall appoint members from districts, with the advice and consent of the Senate of the General Assembly. Commencing in 1964, the Governor shall appoint members as follows: one member each for seven, six, five, four, three, two and one year terms, and upon the expiration of the terms of said members their successors shall be appointed for terms of seven years each. The State Board of Education, beginning on the first Monday in January, 1968, shall appoint a Superintendent of Public Instruction, who shall act as its executive officer and shall serve for a six year term and at such salary and allowance as may be fixed by the Board. The Board may remove the Superintendent for causes to be prescribed by law.*

Section 5. The amendment of these sections shall be submitted to the voters of the Commonwealth for their ratification or rejection at the time and in the manner provided for under Sections 256 and 257 of the Constitution and under Sections 118.170 and 118.430 of the Kentucky Revised Statutes.

SB 266, AN ACT proposing an amendment to the Constitution of Kentucky relating to constitutional amendments and constitutional conventions; amending sections 256 and 258.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 256 of the Constitution of the Commonwealth of Kentucky is amended to read as follows:

Amendments to this Constitution may be proposed in either House of the General Assembly at a regular session, and if such amendment or amendments shall be agreed to by three-fifths of all the members elected to each House, such proposed amendment or amendments, with the yeas and nays of the members of each House taken thereon, shall be entered in full in their respective journals. Then such proposed amendment or amendments shall be submitted to the voters of the State for their ratification or rejection at the next general election for members of the House of Representatives, the vote to be taken thereon in such manner as the General Assembly may provide, and to be certified by the officers of election to the Secretary of State in such manner as shall be provided by law, which vote shall be compared and certified by the same board authorized by law to compare the polls and give certificates of election to officers for the State at large. If it shall appear that a majority of the votes cast for and against an amendment at said election was for the amendment, then the same shall become a part of the Constitution of this Commonwealth, and shall be so proclaimed by the Governor, and published in such manner as the General Assembly may direct. Said amendments shall not be submitted at an election which occurs less than ninety days from the final passage of such proposed amendment or amendments. Not more than *five* [two] amendments shall be voted upon at any one time; nor shall the same amendment be again submitted within five years after submission. Said amendments shall be so submitted as to allow a separate vote on each, and no amendment shall relate to more than one subject. But no amendment shall be proposed by the first General Assembly which convenes after the adoption of this Constitution. The approval of the Governor shall not be necessary to any bill, order, resolution or vote of the General Assembly, proposing an amendment or amendments to this Constitution.

Section 2. Section 258 of the Constitution of the Commonwealth of Kentucky is amended to read as follows:

When a majority of all the members elected to each House of the General Assembly shall concur, by a yea and nay vote, to be entered upon their respective journals, in enacting a law to take the sense of the people of the State as to the necessity and expediency of calling a Convention for the purpose of revising or amending this Constitution, and such amendments as may have been made to the same, such law shall be spread upon their respective journals. [if the next] *The* General Assembly [shall, in like manner, concur in such law, it] shall provide for having a poll opened in each voting precinct in this state by the officers provided by law for holding general elections at the next ensuing regular election to be held for State officers or members of the House of Representatives, which does not occur within ninety days from the final passage of each law, at which time and places the votes of the qualified voters shall be taken for and against calling the Convention, in the same manner provided by law for taking votes in other State elections. The vote for and against said proposition shall be certified to the Secretary of State by the same officers and in the same manner as in State elections. If it shall appear that a majority voting on the proposition was for calling a Convention, and if the total number of votes cast for the calling of the Convention is equal to one-fourth of the number of qualified voters who voted at the last preceding general election in this State, the Secretary of State shall certify the same to the General Assembly at its next regular session, at which session a law shall be enacted calling a Convention to readopt, revise or amend this Constitution, and such amendments as may have been made thereto. *Before any Constitution agreed upon by a Convention shall take effect and become operative, the same shall be submitted to the qualified voters of this Commonwealth, after at least ninety days' notice, and ratified by a majority of those voting.*

Section 3. The amendment of these Sections shall be submitted to the voters of the Commonwealth for their ratification or rejection at the time and in the manner provided for under Sections 256 and 257 of the Constitution and under Sections 118.170 and 118.430 of the Kentucky Revised Statutes.

SB 267, AN ACT relating to the official flag of the Commonwealth of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 2.030 of the Kentucky Revised Statutes is amended to read as follows:

The official state flag of the Commonwealth *of Kentucky* shall be of navy blue silk, *nylon, wool or cotton* bunting, *or some other suitable material,* with the Seal of the Commonwealth encircled by a wreath, *the lower half of which shall be* goldenrod *in bloom and the upper half the words "Commonwealth of Kentucky",* embroidered, printed, *painted,* or stamped on the center thereof. The dimensions of the flag may vary [.] , *but the length shall be one and nine-tenths times the width and the diameter of the seal and encirclement shall be approximately two-thirds the width of the flag.*

Section 2. The approved official drawings of the state flag shall be permanently retained in the files of the office of the Secretary of State. All state flags for official use of the Commonwealth shall conform as to color and design with these official drawings.

Section 3. The emblem at the head of a flag staff used to display the flag of the Commonwealth of Kentucky shall be the Kentucky Cardinal in an alert but restful pose, cast in bronze, brass, or other suitable material.

Section 4. The flying of the state flag at all state buildings and installations including public school buildings, National Guard Armories, state parks and other such buildings is considered proper and is encouraged.

SB 280, AN ACT relating to the Industrial Development Finance Authority.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 154.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter unless the context requires otherwise:

(1) "Authority" means the Industrial Development Finance Authority;

(2) "Local development agency" means any incorporated organization, foundation, association or agency, regardless of the particular name, to whose members or shareholders no profit enures, and which has as its primary function the promotion, encouragement and development of industrial and manufacturing enterprises;

(3) "Industrial building project" means any site, structure, facility or undertaking comprising or being connected with or being a part of an industrial or manufacturing enterprise established or to be established by a local development agency; and

(4) "Industrial subdivision project" means any tract of land of not less than *twenty-five* [fifty] acres, located within or near the corporate limits of a city, together with utilities, services, and access roads, to be acquired by a local development agency and sold or leased to one or more manufacturing enterprises.

Section 2. Section 154.080 of the Kentucky Revised Statutes is amended to read as follows:

When it has been determined by the authority that the establishment of a particular industrial building project has accomplished or will accomplish the public purposes of this chapter, the authority may contract to loan such local development agency an amount not in excess of *forty* [thirty] percent of the cost or estimated cost of such industrial building project, as established or to be established. However, no industrial building project loan shall be made by the authority to a local development agency until such agency has furnished proof of its inability to obtain from banks, insurance companies and other private lending agencies funds at the going cost of such money in amounts sufficient to enable the agency to finance the project without the assistance of the authority.

Section 3. Section 154.090 of the Kentucky Revised Statutes is amended to read as follows:

Before granting loans on industrial building projects *proposed or* [not yet] established the authority shall first determine: (1) that the local development agency holds funds in an amount equal to, or property of a value equal to, not less than *ten* [twenty] percent of the estimated cost of [establishing] the industrial building project, which funds or property are available for and shall be applied to the *cost* [establishment] of such project, and (2) that the local development agency has obtained from other independent and responsible sources, such as banks and insurance companies or otherwise, a firm commitment for all other funds, over and above the loan of the authority and such funds or property as the local development agency may hold, necessary for payment of all the estimated cost of [establishing] the industrial building project, and (3) that the sum of all of these funds, together with the machinery and equipment to be provided by the responsible tenant or responsible buyer is adequate to insure completion and operation of the plant or facility.

Section 4. (1) The authority may lend money to a local development agency or other applicant that qualifies for federal assistance under the federal Area Redevelopment Act (Public Law 87-27.). The limits on the amount the authority may lend under this section are the same as those set out in KRS 154.080 and 154.110; however, the requirements of KRS 154.090 and 154.120 do not apply to loans made under this section.

(2) The authority may require a loan made under this section to be secured; if so, the security may be subordinate to that which secures federal assistance received on the same project.

(3) With respect to loans made under this section the authority shall promulgate reasonable regulations:

(a) governing the form and content of applications for loans;
(b) setting the rate of interest and other terms of loans.

Section 5. An exception may be made if, because of the nature of the terrain in the area, a minimum of twenty-five acres is impractical, then the Board may, at its discretion, stipulate a lesser acreage for the purposes set forth in this Act.

Section 6. Section 154.140 of the Kentucky Revised Statutes is amended to read as follows:

When any Federal agency participates in the financing of an industrial building project by loan, grant or otherwise of federal funds, the authority may adjust the required ratios of financial participation by the local development agency, the source of independent funds, and the authority in such manner as to insure the maximum benefit available to the local development agency, the authority, or both, by the participation of the federal agency. No such adjustment of such ratios shall cause the authority to grant a loan to the local development agency in excess of *forty* [thirty] percent of the cost or estimated cost of the industrial building project.

Section 7. Section 154.100 of the Kentucky Revised Statutes is repealed.

SB 283, AN ACT relating to crimes and punishments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 437.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) No two or more persons shall confederate or band themselves together and go forth for the purpose of intimidating, alarming, disturbing or injuring any person, or of taking any person charged with a public offense from lawful custody with the view of inflicting punishment on him or of preventing his prosecution, or of doing any felonious act.

(2) No two or more persons shall confederate or band themselves together and go forth for the purpose of molesting, damaging or destroying any property of another person, whether the property is molested, damaged or destroyed or not.

(3) Any person who violates this section shall be punished by *a* fine *not exceeding five thousand dollars* or imprisonment *not exceeding one year* or both, in the discretion of the jury.

SB 284, AN ACT providing for payment of court costs in civil actions in which the Commonwealth is a party.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 453.010 of the Kentucky Revised Statutes is amended to read as follows:

(1) No judgment for costs shall be rendered against the Commonwealth in any action prosecuted by or against the Commonwealth in its own right; *provided, however, that in any civil action filed in any court of competent jurisdiction by or against the Commonwealth of Kentucky, the costs may be paid by the Commonwealth when such costs are approved and allowed by the judge of the court in which the case was filed. Costs shall not exceed the fees allowed for similar services in other civil actions.*

SB 287, AN ACT relating to fiduciaries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

For the purpose of computing commissions whenever any portion of the dividends, interest, rents or other amounts payable to an executor, administrator, trustee, guardian, committee, curator or other personal representative or fiduciary is required by any law of the United States or other governmental unit to be withheld for income tax purposes by the person, corporation, organization or governmental unit paying the same, the amount so withheld shall be deemed to have been collected.

SB 288, AN ACT providing for the inclusion of public health employees of joint city-county health departments in counties containing cities of the first class within the provisions of the State Retirement System.

WHEREAS, all employees of county and joint city-county health departments within the Commonwealth of Kentucky are covered by the provisions of the State Retirement System except the employees of the Louisville-Jefferson County Health Department; and

WHEREAS, this inequity needs to be corrected;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Notwithstanding the provisions of KRS 61.510 to 61.700 (Chapter 110, 1956 Acts of the General Assembly of Kentucky and amendments thereto) and KRS 78.510 to 78.991 on the effective date of this act all regular full-time present and future public health employees of any joint city-county health department located in a county containing a city of the first class shall be included within the provisions of the State Retirement System.

Section 2. All regular full-time public health employees of any joint city-county health department located in a county containing a city of the first class shall be given credit for any prior service with such department before July 1, 1956, but any such regular full-time public health employee shall be allowed credit for current service for the period July 1, 1956 to the effective date of this act, provided, such employee pays to the retirement system the contribution he would have paid for the period from July 1, 1956 to the effective date of this act, with interest at the rate determined by the Board of Trustees and an additional sum equal to fifty percent of this amount. The payment of the fifty percent sum shall be considered as accumulated contributions of the member.

Section 3. It shall be the responsibility of all joint city-county health departments in counties containing cities of the first class to pay the employer's and employee's share into the State Retirement Fund.

Section 4. For the purpose of putting this act into effect there is hereby appropriated from the General Expenditure Fund $40,000 in 1962-63 and $40,000 in 1963-64 to the Department of Health.

Section 5. This act shall become effective July 1, 1962.

SB 294, AN ACT relating to chiropractors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Board" means the Kentucky State Board of Chiropractic Examiners.

(2) "Chiropractic" means the science of locating and adjusting the subluxations of the articulations of the human spine and its adjacent tissues.

(3) The terms "Chiropractic," "Doctor of Chiropractic," and "Chiropractor" shall be synonymous, and shall be construed to mean a practitioner of chiropractic as defined in subsection (2) of this section.

Section 2. The Kentucky State Board of Chiropractic Examiners shall consist of three members, appointed by the Governor, who shall be doctors of chiropractic of integrity and ability who at the time of their appointment are in active practice of chiropractic and who have been actual residents of Kentucky for at least three years next preceding their appointment. No person shall be appointed who is not a graduate of a recognized college teaching anatomy, physiology, bacteriology, pathology, principles and practice, chemistry, symptomatology, neurology, hygiene and sanitation, phylosophy and chiropractic analysis.

Section 3. Each member of the board shall serve for a term of three years and until his successor is appointed and qualified. Appointments to fill vacancies shall be for the unexpired term, and shall be made in accordance with the provisions of this Act.

Section 4. The governor may suspend any member of the board for misfeasance, malfeasance, gross inefficiency or misconduct, or upon any of the constitutional grounds upon which officers may be suspended by the governor of this state.

Section 5. The board shall elect from its members a president, vice-president, and a secretary-treasurer.

Section 6. The board shall hold regular meetings to examine applicants and for the transaction of business, commencing on the first Tuesday of June and December of each year. The State Property and Buildings Commission shall, at the request of the board, provide an office at the Capitol where meetings may be held. Special meetings may be called by the president, or by the vice-president in the absence of the president, and by the secretary-treasurer upon thirty days notice, and may be held anywhere in the state.

Section 7. The board shall have the power and it shall be its duty to enforce the provisions of and to prosecute all violations of this Act, and to make rules and regulations, not inconsistent with the provisions hereof, governing the practice of chiropractic, and to make such other rules and regulations to carry out the provisions of this Act as it may consider necessary to the proper performance of its duties. The board shall adopt a seal which shall be affixed to all licenses issued by the board and to such other papers requiring the same. The board may take testimony concerning any matter within its jurisdiction, and each member thereof may administer oaths for that purpose. The board shall have the power to issue summons and subpoenas for any witness and subpoenas duces tecum in connection with any matter within the jurisdiction of the board under its seal and signed by the secretary of the board.

Section 8. Any persons desiring to practice chiropractic in this state, before it shall be lawful for him or her to do so, shall make application to the board, through its secretary-treasurer, in such form and in such manner as may be required by the board, at least twenty days prior to any meeting held for examinations by the board, to receive a license to practice from the board. Each applicant shall be a citizen of the United States and shall be a graduate of a recognized high school and a chartered chiropractic college which requires for graduation the completion of a four year's course of not less than nine months each or not less than four thousand hours' active attendance in the same. Applications shall be made and signed in applicant's own handwriting, and shall be sworn to and before an officer authorized to administer oaths, and shall recite the history of the applicant as to his educational advantages, his experience in matters pertaining to knowledge of the care of the sick, his length of study of chiropractic, what collateral branches he has studied, the length of time he has been engaged in clinical practice, accompanying same with a diploma, or diplomas awarded to applicant by a college or colleges in which such studies were pursued. Certificates of attendance from the college or colleges from which he is a graduate, stating dates of matriculation, graduation, and number of months and hours in attendance shall accompany the application, with satisfactory evidence of good character and reputation.

Section 9. There shall be paid to the secretary-treasurer of the board by each applicant for license, a fee not to exceed fifty dollars, which shall accompany the application, and which shall be returned to the applicant if the license provided for in Section 8 of this Act is not issued to the applicant.

Section 10. Any person of good moral character who has been licensed by a chiropractic board of any other state or territory may be licensed without examination upon payment of fifty dollars, if he practices chiropractic and if such state or territory extends similar reciprocity to licensees of this state. Every applicant under this section shall furnish satisfactory evidence that he is and has been for a reasonable length of time in good standing in the association of the state from which he comes.

Section 11. Examination for license to practice chiropractic shall be made by the board according to the method deemed by it to be the most practicable and expeditious to test the applicants' qualifications. Examination papers shall be designated by number, and not by name of applicant, so that the identity of the applicant will not be disclosed to members of the board until after the examination papers are graded.

Section 12. All subjects and questions shall be prepared and answers graded solely for the purpose of determining whether the applicant is reasonably qualified to practice chiropractic. A license shall be granted to all applicants who shall correctly answer seventy-five per cent of all questions asked; and if any applicant shall fail to answer correctly sixty per cent of all questions asked on any one branch of said examinations, he or she shall not be entitled to a license.

Section 13. Every person licensed to practice chiropractic shall file his license with the county clerk of the county in which he resides, before beginning to practice. The clerk shall keep a record of such licenses in a book in his office. All licenses to practice chiropractic in this state shall expire on the last day of February following the issuing thereof, except that any holder of any such license may have the same renewed from year to year by the payment of an annual fee of not more than ten dollars to the board.

Section 14. (1) All licenses issued by the board shall be in such form as the board may prescribe. Before any license is issued by the board, it shall be numbered and properly recorded by the secretary-treasurer. Such record shall be open to public inspection, and in all actions or proceedings in any court, a transcript, or any part thereof, certified to by the secretary-treasurer under the seal of the board to be a true copy, shall be entitled to admission in evidence.

(2) The board may at any time inquire into the identity of any person claiming to hold a license to practice chiropractic in this state, and after due service of a notice in writing, require him to prove to the satisfaction of the board that he is the person authorized to practice under the license by virtue of which he claims the privilege

to practice in this state. When the board finds that a person claiming to be the holder of a license to practice in this state is not in fact the person to whom the license was issued, it shall reduce its findings to writing and file them in its office, and such findings shall be prima facie evidence that said claimant does not hold a license to practice in this state.

(3) Charges may be preferred by the board against the holder of a license to practice chiropractic in this state on any of the following grounds:

(a) that fraud or deceit was used in securing such license;

(b) that the licensee no longer possesses a good moral character;

(c) that the licensee has been convicted of a violation of any law involving moral turpitude;

(d) that the licensee solicits patients through an agent;

(e) that the licensee is addicted to the use of narcotic drugs;

(f) that the licensee is in any way guilty of any deception, misrepresentation or fraud in the practice of chiropractic.

(4) Upon receipt and due consideration of such charges, the board upon an affirmative vote of two of its members may suspend the license of the person against whom such charges have been preferred. Immediately, but not more than ten days after such suspension, the holder of such license so suspended shall be notified thereof in writing and shall be furnished a copy of said charges and notified in writing of the time and place for the hearing of said charges by the board, which hearing shall be within twenty days from the date of the suspension. Further time may be granted by the board for the hearing upon application of the person suspended as shown from the files of the board, which shall be construed as sufficient notice to such person of the suspension of his license, and of the time and place of the hearing by said board of the charges so preferred. The board may hold special meetings for the hearing of such charges.

(5) Subpoenas for witnesses, whose evidence is deemed material to any investigation or hearing authorized by this section, may be issued by the board or its president and under the seal of the board, commanding such witnesses to appear before the board, at a time and place to be therein named, and to bring such books, records, and documents as may be specified, or to submit such books, records, and documents to inspection; and such subpoenas may be served by any sheriff or deputy.

(6) Where any witness who has been served with a subpoena (a) fails or refuses to appear at the time and place named, or (b) fails or refuses to answer any lawful question propounded or produce the books, records, or documents required, or (c) who shall be guilty of disorderly or contumacious conduct at the hearing, the facts

shall be made known to a circuit judge of the county, who shall forthwith issue a summons for such witness, and shall cause him to be brought before said judge. Upon appearance, if the witness shall fail to purge himself of such failure, refusal or conduct, the judge shall proceed further as in cases of contempt of court; and said witness shall pay the costs of such proceedings.

(7) Witnesses shall be entitled to the same fees and mileage as they may be entitled to by law for attending as witnesses in the circuit court, but no witness shall be required to attend a hearing more than one hundred miles from the county seat of the county wherein he resides, without his consent.

(8) Witnesses who testify under subpoena shall be entitled to the same protection and immunities as are witnesses in judicial proceedings.

(9) At said hearing the person suspended may cross-examine witnesses against him, and produce witnesses in his behalf and appear personally or by counsel. The board shall keep a record of said hearing, the testimony so taken and its findings on the charges. If the board by a majority affirmative vote shall sustain the charges, it may revoke the license of the person suspended, in which event the board shall thereupon give written notice in the same manner as provided for the giving of notice of suspension, to the holder of the license which has been revoked.

(10) The person whose license has been revoked shall have the right within twenty days to appeal to the Franklin County Circuit Court. In the event the person whose license has been revoked shall fail to so appeal, the action of the board in revoking his license shall be final.

(11) The action of the board shall be recorded in the same manner as licenses are recorded, and the name of the person whose license is revoked shall be stricken from the list of license holders, and he shall be disqualified from practicing chiropractic in this state.

Section 15. The board may, at any time after the refusal or revocation of a license, for good and sufficient reason appearing to it, by a unanimous vote, issue a license to the person affected, conferring upon him all the rights and privileges of and pertaining to the practice of chiropractic, as defined and regulated by this Act.

Section 16. Each member of the board shall receive his necessary traveling expenses and a per diem of twenty-five dollars for each day he actually spends in the discharge of his official duties. The board shall pay all necessary expenses for operation of the office of its secretary-treasurer.

Section 17. All persons who are now or may hereafter be licensed to practice chiropractic in this state shall, on or before the first day of March, annually hereafter renew his or her license and pay a renewal fee of not more than ten dollars each year to the board; provided that, in addition to the payment of such renewal fee, such licensee so applying for a license renewal shall furnish to the board satisfactory evidence that he or she has attended an educational program in the year preceding each such application for renewal. Satisfactory evidence of attendance of post graduate study at an institution approved by the board shall be considered equivalent. Provided, however, that licenses may be renewed by the board, at its discretion, and the applicant excused from paying the renewal fee or attending the annual educational program or both in instances where:

(1) The applicant submits an affidavit to the board evidencing that he or she, for good cause assigned, suffered a hardship which prevented the applicant from renewing the license or attending the educational program at the proper time.

(2) The applicant is not in active practice in the state.

Section 18. The secretary of the board shall send a written notice to every person holding a valid license to practice chiropractic within this state at least thirty days prior to the first day of March in each year, directed to the last known address of such licensee, and shall enclose with such notice proper blank forms for application for annual license renewal. Every person failing to renew his or her license after the same is due shall automatically forfeit his or her license to practice in this state, but may have his or her license restored upon the payment of a restoration fee of ten dollars for each delinquent year or any part thereof in addition to the renewal fee of not more than ten dollars, and upon presentation of satisfactory evidence of post graduate study of a standard approved by the state board or upon a showing that he or she is an exception as provided for in subsections (1) and (2) of Section 18 of this Act.

Section 19. The board shall have the right for good cause shown, to adopt and prescribe the type and character of the post graduate study to be done by any chiropractor in order to comply with the requirements of this Act.

Section 20. Any person who shall practice or attempt to practice chiropractic in violation of the provisions of this Act, or any person who shall buy, sell or fraudulently obtain any diploma or license to practice chiropractic, whether recorded or not; or any person who shall use the title to induce the public to believe that he is engaged in the practice of chiropractic, without first complying with the provisions of this Act shall be guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not more than five hundred dollars, or by imprisonment in the county jail for not more than six months or both. Each adjustment or treatment shall constitute a separate offense. Any advertisement or sign of whatsoever nature to induce the public to believe that one is a chiropractor or practices chiropractic shall be prima facie evidence of a violation of this Act, provided the person displaying such sign or causing such advertisement has not been licensed to practice chiropractic as provided in this Act.

Section 21. Sections 312.010, 312.020, 312.030, 312.040, 312.050, 312.060, 312.070, 312.080, 312.090, 312.100, 312.110, 312.120, 312.140 and 312.990 of the Kentucky Revised Statutes are repealed.

SB 298, AN ACT relating to political advertising.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. All written or printed circulars, advertisements, or other statements with reference to any candidate or group of candidates for nomination or election to any public office in this Commonwealth shall be signed by the writer thereof, or if the same purports to be issued by any committee, organization or other similar association, the same shall be signed with the names of at least two of the principal officers of such committee, organization, or association.

Section 2. Any person who violates any of the provisions of this Act shall be fined not less than fifty dollars nor more than five hundred dollars, or imprisoned in the county jail for not less than ten days nor more than thirty days, or both.

Section 3. In view of the fact that a primary election will be held on May 29, 1962, there is hereby declared to be an emergency and this Act shall become effective immediately upon being passed by the General Assembly and signed by the Governor.

SB 302, AN ACT relating to elections for bond issues for school sites and buildings, and declaring an emergency.

WHEREAS, the statute relating to elections for bond issues for school sites and buildings has heretofore restricted independent school districts containing cities of the first four classes in their choice of time for the holding of elections for bond issues, and

WHEREAS, the distinction between independent school districts and county districts in such matters appears to serve no useful purpose, and other such distinctions relating to special elections have long since been eliminated, and

WHEREAS, the elimination of this particular restriction upon independent school districts will permit speedier action by some districts in constructing new school buildings,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 162.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever a board of education deems it necessary for the proper accommodation of the schools of its district to enlarge sites for school buildings, to purchase new sites, which in the case of independent districts may be not more than two miles without the boundary lines of the district, to improve, remodel or restore school buildings, to erect or equip new school buildings, or for any or all of these purposes, and the annual funds raised from other sources are not sufficient to accomplish the purpose, the board shall make a careful estimate of the amount of money required for the purpose and shall certify to the proper tax levying authority the fact that an election for an issue of bonds for school purposes shall be held together with the amount of money for which bonds shall be issued and the purpose to which the proceeds shall be applied. The taxing authority shall then adopt an ordinance or resolution submitting to the qualified voters of the district, the question as to whether bonds shall be issued for the purpose. The question shall be so framed that the voter may by his vote answer "For" or "Against."

(2) The ordinance or resolution shall fix the time the bonds shall run and, if a serial issue, the amount to mature at each time. It shall limit the rate of interest to be permitted on the bonds, which shall not exceed six percent, and the total amount of bonds to be issued, and shall provide for the levy of a tax to pay the interest and to create a sinking fund to retire them at their maturity.

(3) [In independent districts embracing cities of the first four classes the election upon all school bonds shall be held at the next general election held not less than thirty days after the adoption of the ordinance or resolution. In other districts] The election shall be held at a time fixed in the ordinance or resolution, not less than fifteen nor more than thirty days from the time the certificate of the board is filed with the tax levying authority, and reasonable notice of the election shall be given. The election shall be conducted and carried out in the school district in all respects as required by the general election laws, and shall be held by the same officers as required by the general election laws. The expense of the election shall be borne by the fiscal court except where the election is held in a district embracing a city of the first five classes, in which case the cost of the election shall be borne by the governing body of the city.

Section 2. WHEREAS, the present law results in unreasonable distinction between independent and county school districts, and some independent school districts are seeking relief under this Act at once, an emergency is declared to exist and this Act shall become effective immediately upon its passage and approval by the Governor.

SB 299, AN ACT relating to condemnation of property for construction, reconstruction and maintenance of highways, bridges, and facilities relating thereto.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 177.086 Sub-section (2) (c) of the Kentucky Revised Statutes is amended to read as follows:

An authorization to take possession of lands and materials for the purposes and under the conditions and limitations, if any, set forth in the Petition upon payment of all costs and the payment to the owner or to the Clerk of the Court the amount of the compensation awarded by the Commissioner *and a further authorization to the Sheriff of the County to evict the owners, occupants, possessors or holders of such land or materials upon such payment of costs and amount of compensation awarded by the Commissioner.*

SB 303, AN ACT relating to Traffic Regulations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (3), (4) (a) and (4) (b) of 189.390 of the Kentucky Revised Statutes are amended to read as follows:

(3) Whenever the Commissioner of Highways shall determine upon the basis of an engineering and traffic investigation that any speed limit hereinbefore set forth is greater or less than is reasonable or safe under the conditions found to exist at any intersection or upon any part of a state highway within or without the corporate limits of a municipality, said Commissioner of Highways may determine and establish by official order a reasonable and safe speed limit at such location which shall be effective at all times or during hours of daytime or nighttime, or at such other times as may be determined when appropriate signs giving notice thereof are erected at such intersection or part of the state highway. In no event, however, shall said commissioner increase any speed limit established by subsection (2) of this section [by more than ten miles per hour, nor shall such ten mile per hour increase] *so as to* permit in any instance a speed limit in excess of sixty miles per hour.

(4)(a) Whenever municipal authorities or the county court of any county containing a city of the first class determine upon the basis of an engineering and traffic investigation that the speed permitted under subsection (2) of this section is greater or less than is reasonable or safe under the conditions found to exist at any location within the municipality or unincorporated areas of such county, such municipal authority or county court, subject to paragraph (b) of this subsection, shall determine and authorize by ordinance or order a reasonable and safe speed limit at such location which shall be effective at all times or during hours of daytime or nighttime, or at such other times as may be determined when appropriate signs giving notice thereof are appropriately erected at such location. In no event, however, shall said municipal authority or county court increase any speed limit established by subsection (2) of this section [by more than ten miles per hour, nor shall such ten mile per hour increase] *so as to* permit in any instance a speed limit in excess of sixty miles per hour.

(b) Alteration of speed limits on state highways within a municipality by municipal authorities or within the unincorporated areas of counties containing a city of the first class by county courts thereof shall not be effective until such alteration has been approved by the Commissioner of Highways. In no event shall said commissioner approve any alteration which would increase any speed limit established by subsection (2) of this section [by more than ten miles per hour, nor shall such ten mile per hour increase] *so as to* permit in any instance a speed limit in excess of sixty miles per hour.

SB 304, AN ACT relating to sewer construction districts and providing an alternate method of financing.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any sewer construction district created in the manner provided in KRS 76.300 to 76.400 may, if the commissioners of such district deem it feasible, instead of issuing bonds, as provided in KRS 76.365, issue apportionment warrants, using the procedures after assessment set out in KRS 184.150 through KRS 184.250, Board of Directors being read as Commission and the references to roads being read as reference to sewers and drains, including treatment plants.

Section 2. In the event a sewer construction district uses the financing procedures of this Act, or those set forth in KRS 76.365 and 76.390, it shall have the same power to discontinue water service as is set out in KRS 76.368 for districts proceeding under KRS 76.366 and 76.367.

Section 3. The provisions of Sections 1. and 2. of this Act shall not repeal or reduce any existing rights or duties of sewer construction districts or the commissioners thereof, but shall constitute an additional method of financing which may be used in conjunction with KRS 76.300 to 76.385, or may be an alternate method.

SB 308, AN ACT relating to water districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of Chapter 74 of Kentucky Revised Statutes is created to read as follows:

In addition to the other authority which water districts presently have under Chapter 74 of the Kentucky Revised Statutes, water districts are hereby authorized to acquire, develop, maintain and operate sewage disposal systems within the confines of their respective districts except that such sewer systems shall not include territory within the boundaries of existing municipal corporations having the authority to provide such sewer services without the consent of such municipal corporations. In the event of annexation of territory within a water district by another municipal corporation authorized to provide sewer systems and services, the water district may continue to provide and charge for sewer services within such newly annexed areas until such annexing municipal corporation makes adequate payment, by negotiation or condemnation, for such sewage disposal facilities owned and operated by the water district. The water district commissioners shall have all of the powers and authority, as regards sewer systems that are conferred upon them for the purpose of furnishing a water supply under KRS 74.010 to 74.390.

Section 2. Section 74.410 of the Kentucky Revised Statutes is amended to read as follows:

Water districts may, in addition to all other methods provided by law, acquire and develop water systems, [and] systems for the distribution of natural, artificial, or mixed gas *and sewage disposal systems* through the issuance of revenue bonds under the terms and provisions of KRS 58.010 to 58.140.

Section 3. Where operation of a sewer system requires, because of watershed factors or other reasons, water districts are authorized to extend lines through the territory of any municipal corporation or county with prior consent of such municipal corporation or county.

Section 4. Before any water district in a county containing a city of the first class shall undertake the construction of a sanitary sewer system, such district shall first obtain the written approval of whatever agency of the county, if any, by other statute, possesses county-wide authority over sanitary sewer systems.

SB 312, AN ACT relating to city streets, viaducts and bridges which constitute the route of connection between or extension of state roads in the state highway system and providing for the construction and maintenance of same by the state.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 177.044 of the Kentucky Revised Statutes is repealed.

SB 313, AN ACT relating to house trailers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1:

Section 189.275 of the Kentucky Revised Statutes is amended to read as follows:

It is unlawful for any house trailer to be towed on any highway in this State if it exceeds eight feet in width, or if the combined towing vehicle and house trailer exceeds [thirty-five] *fifty* feet in length, one or both, unless and until a permit authorizing such towing of such house trailer shall have been issued by the Department of Highways as provided for motor trucks, tractors, semitrailers, and trailers in KRS 189.270.

SB 321, AN ACT imposing a penalty for certain sexual perversions, practices or misconduct.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 435.105 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person of the age of seventeen years or over who carnally abuses the body, or indulges in any indecent or immoral practices with the body or organs of any child under the age of fifteen years, or who induces, procures or permits a child under the age of fifteen years to indulge in immoral, sexual or indecent practices with himself or any person shall be guilty of a felony, punishable on conviction thereof by imprisonment in the penitentiary for not less than one year nor more than ten years.

(2) Any person of the age of seventeen years or over who carnally abuses the body, or indulges in any indecent or immoral practices with the body or organs of any other person of the age of fifteen years or over or who induces, procures or permits any person of the age of fifteen years or older to indulge in immoral, sexual or indecent practices with himself or any other person, not otherwise denounced in this chapter, shall be guilty of a felony, punishable on conviction thereof by an imprisonment in the penitentiary for not less than one nor more than five years.

SB 108, AN ACT relating to state police.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 16.541 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who left the state police or its predecessor in order to enter the armed forces of the United States and who is re-employed by the state police after the effective date of the system shall be entitled to have credited as service his period of service in such armed forces, not to exceed six years, provided he applies for reinstatement within three months of discharge, which must be honorable, or within three months of a subsequent termination of any total disability, and, subject to the approval of the state police personnel board, is re-employed, KRS 61.370 to the contrary notwithstanding.

(2) Any person who left the state police or its predecessor prior to the effective date of the system in order to enter the armed forces of the United States, and who was re-employed [within one year] after his honorable discharge therefrom, or upon the subsequent termination of any total disability which existed at [the expiration of said year after] discharge, shall be entitled to have credited as service his period of service in the armed forces, not to exceed six years.

SB 255, AN ACT relating to the filing and public inspection of rate and service schedules and contracts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 281.680 of the Kentucky Revised Statutes is amended to read as follows:

(1) Under rules and regulations prescribed by the department, every common carrier or irregular route common carrier shall maintain on file with the department a schedule of rates, fares, charges and classifications, and a time schedule, if any, of all motor vehicles operated under a certificate, and shall keep open for public inspection at designated offices so much of such schedules as the department deems necessary for public information.

(2) Under rules and regulations prescribed by the department, every contract carrier shall maintain on file with the department all contracts made for transportation *of non-exempted commodities*, and shall keep open for public inspection at designated offices such contracts as the department deems necessary for public information.

(3) No schedule of rates need be filed for the transportation of any commodity that has been exempted by the department, except that the department may require the filing of a schedule of rates.

(4) The department shall have full power concerning the control of rates and contracts under its rules and regulations.

SR 39, A JOINT RESOLUTION providing for the payment of expenses of Contestant and Contestee and others in the matter of contest of Cabell D. Francis, Contestant vs. John W. (Billy) Swope, contestee, pending and decided in the Senate of the Commonwealth of Kentucky.

(1) WHEREAS, Cabell D. Francis of Lincoln County, Kentucky, instituted and conducted a contest against John W. (Billy) Swope of Boyle County, Kentucky, for the office of Senator of and from the Eighteenth Senatorial District of Kentucky, before the Senate of Kentucky, which contest has been heard and determined, and on the first day of February, 1962, said contest was decided in favor of the Contestee; and

(2) WHEREAS, it appearing that in instituting, prosecuting and defending said contest both parties to said contest have incurred expenses which were necessary thereto, and that the sum set out in the body of the Act represents the expenses of said parties;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That said expenses, and charges therein set out and exemplified by accounts filed with the Clerk of the Senate be, and the same are now allowed as contingent expenses of the Senate, as follows, to wit:

Cabell D. Francis, Expenses per Account	$ 45.00
John W. (Billy) Swope, Expenses per Account	30.32
Lucy Pratt Rodman, Stenographer Expenses	179.88
Jane Sory, stenographer Expenses	22.40
Delbert Eagle, Expenses per Account	16.00
	$293.60

Section 2. That the Clerk of the Senate is therefore ordered and directed to certify the following to the Auditor of Public Accounts, and upon such certification the Auditor will draw his several warrants upon the Treasurer of the State in the sums and in the favor of the persons herein indicated as follows, to wit:

Delbert Eagle	$ 16.00
Cabell D. Francis	45.00
John W. Swope	30.32
Lucy Pratt Rodman	179.88
Jane Sory	22.40
	$293.60

SB 277, AN ACT relating to the Kentucky Board of Examiners in Watchmaking.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 328.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) The term "watchmaking" includes and means the repairing, replacing, rebuilding, reconditioning, cleaning, adjusting, and regulating of the mechanical parts of watches, *clocks, or other mechanisms used for timing purposes which employ the use of a watch or clock necessitating repair by someone with knowledge of watch or clock repairing* and the manufacturing and fitting of parts designed for use or used in watches. Such term shall not include or mean the manufacturing or repairing of watchcases, but shall include the repairing of all winding mechanisms whether they are parts of such cases or not.

(2) The term "board" as used in such chapter shall mean the "Kentucky Board of Examiners in Watchmaking."

Section 2. Section 328.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) There is created a "Kentucky Board of Examiners in Watchmaking" whose duties it shall be to carry out the provisions of this chapter and to promote the education and training of watchmakers. The board shall consist of five members, appointed by the Governor. All persons so appointed shall have been residents of this state and actually engaged in watchmaking for the last five years immediately preceding the time of their appointment. *Appointments shall be made as follows: one appointment for one year, one appointment for two years, one appointment for three years and two appointments for four years.* [Members of the board shall be appointed for terms of four years] and until their successors shall be appointed and qualified. The holders of such terms shall serve at the pleasure of the Governor. *Upon the expiration of each of these terms of office each subsequent appointment shall be for a term of four years.*

(2) The board shall choose annually one of its members as president and one as secretary. The board shall meet at least once every six months at the state capitol, and in addition thereto, whenever and wherever the officers shall call a meeting. A majority of the members of the board shall constitute a quorum. The board may retain legal counsel if deemed necessary. The secretary shall keep a full record of its proceedings, which shall be open to inspection at all reasonable times. The members and officers of the board shall be compensated as follows: Each member of the board shall be paid

a per diem of fifteen dollars for attendance at meetings not to exceed thirty days and shall be reimbursed for necessary expenses incurred in the performance of his duties. The secretary may be paid an annual salary to be determined by the board.

(3) The board may appoint such clerks and assistants as it may deem necessary to the execution of its functions and fix their salaries.

(4) The board shall, on the first day of January of each year, report its proceedings to the Governor, including an account of moneys received and disbursed. The president and secretary shall file annually with the Governor a verified list of watchmakers qualified to serve as members of the board.

Section 3. Section 328.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the applicant successfully passes the examination the secretary of the board shall register such fact and shall issue to him a certificate of registration.

(2) A watchmaker in good standing, registered and licensed in another state and having engaged in watchmaking therein for two years immediately preceding his application for a certificate, upon filing with the board satisfactory proof thereof, may, in the discretion of the board, be issued a certificate without examination upon the payment of a fee of twenty-five dollars, provided the standards in such other state are at least as high as those defined and established by the board *where reciprocal licensing privileges satisfactory to the board are granted to licensees of the Commonwealth.*

(3) Persons actually engaged in watchmaking within this state prior to effective date of this chapter shall be exempt from taking the examination herein provided application is made for a certificate within six months accompanied by an application fee of fifteen dollars and his affidavit setting forth the fact of having so actually engaged in watchmaking, which affidavit shall be attested to by two freeholders in this state, and if the board shall be satisfied that such applicant is entitled thereto it shall cause its secretary to so register and issue a certificate of registration.

(4) Certificates of registration shall expire on December 31 of each year and *shall be renewed for one year with the payment of fifteen dollars as long as the licensee is engaged in the repair of watches* [may be renewed for one year upon the payment of a fee of fifteen dollars]. Applications may be made for renewal after December 15 of each year.

Section 4. Section 328.070 of the Kentucky Revised Statutes is amended to read as follows:

Any person sixteen years of age or over, of good moral character, indentured to a registered watchmaker may engage in watchmaking subject to the provisions of this chapter upon obtaining from the board a certificate of registration as an apprentice watchmaker, which certificate shall be conspicuously displayed at all times at the place of employment of such apprentice. *Apprentice watchmakers shall pay a fee of five dollars for the certificate and may renew for the fee of five dollars annually not to exceed two years from original registration and at such time shall apply for examination for a license.* [Apprentice watchmakers shall pay a fee of one dollar for the certificate and shall pay a renewal fee of one dollar annually.]

Section 5. Section 328.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board may revoke a certificate of registration upon the failure of the holder thereof to pay the annual renewal fee, upon giving said holder thirty days notice in writing of such proposed revocation. Notice shall be sufficient when sent by registered mail to the last known address of the holder.

(2) The board may revoke a certificate of registration obtained through error of the board or fraud on the part of the applicant, or if the holder is grossly incompetent, guilty of immoral or unethical conduct, or obtained or sought to obtain anything of value by fraudulent representations in the practice of watchmaking. The holder of such certificate shall be given thirty days notice in writing enumerating the charges and specifying a date for the hearing on such charges. At the hearing he shall have the opportunity to confront witnesses against him and to produce evidence bearing on such charges. A stenographic record of all proceedings shall be made and transcript kept on file with the board. Any aggrieved holder may appeal to the Franklin Circuit Court on the board's ruling within fifteen days from entry of the order of revocation.

(3) One whose certificate has been revoked, may, upon the expiration of one year after such revocation, apply to the board for registration and upon satisfactory proof that the cause of revocation no longer exists, the board may, in its discretion, issue to said person a certificate of registration upon payment of the fees herein provided.

(4) "Unethical conduct" as used in this chapter shall include and mean any conduct of a character likely to mislead, deceive or defraud the public; advertising of any character in which untruthful or misleading statements are made; advertising of prices on watch repairing or the giving *of any watch crystals, any parts of a watch or watch cases or attachments, gratis or at less than cost in order to increase or solicit watch repair business* [of watch glasses, crystals or of any other watch parts, gratis or at less than cost, in order to advertise or increase watch repair business]; performance of any service in pursuance of any such advertising; loaning of a certificate of registration to any person; failure to display the certificate of

registration conspicuously at all times; representation that a watch has been cleaned although its major parts, train wheels and mainspring have not been disassembled and the capped jewels removed and all parts properly cleaned; performance of any work upon a watch in an unworkmanlike or unskilled manner; representation that certain services or parts are necessary or have been or will be used in the repair of a watch, although such services or parts are not necessary and have not been used in such repairs; employing directly or indirectly, any unregistered watchmaker to perform any watchmaking; or noncompliance, within thirty days, with the directions given in a written notice from any provision of this chapter.

SB 182, AN ACT relating to the names of the Department of Industrial Relations and Department of Agriculture, Labor and Statistics.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The "Department of Industrial Relations" shall be designated and known as the "Department of Labor." The Commissioner of the Department of Industrial Relations shall be designated and known as the Commissioner of the Department of Labor. In every instance where the name, Department of Industrial Relations, appears in the Kentucky Revised Statutes or in any bill enacted into law during the 1962 Session of the General Assembly the Reviser of Statutes shall substitute the name, Department of Labor, as provided in this section.

Section 2. The "Department of Agriculture, Labor and Statistics" shall be designated and known as the "Department of Agriculture." The Commissioner of the Department of Agriculture, Labor and Statistics shall be designated and known as the Commissioner of the Department of Agriculture. In every instance where the name, Department of Agriculture, Labor and Statistics, appears in the Kentucky Revised Statutes or in any bill enacted into law during the 1962 Session of the General Assembly the Reviser of Statutes shall substitute the name, Department of Agriculture, as provided in this section.

Section 3. The sole intent of this act is to change the names of the Department of Industrial Relations and the Department of Agriculture, Labor and Statistics. In no event shall the authority, responsibility, and power of either department be affected.

SB 253, AN ACT relating to sheriffs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

When any sheriff in counties containing a population of less than seventy-five thousand dies during his term of office, the fiscal court of any such county shall on or before the first day of March of the year following the death of such sheriff pay to the personal representative of the deceased sheriff sufficient money to reimburse his estate for the salaries of his deputies and assistants and other necessary expenses of his office incurred by the deceased sheriff during the year of his death. The fiscal court shall also pay to the deceased sheriff's personal representative a sum of money equal to a salary rate of six hundred dollars per month for the actual number of months which he performed the duties of sheriff during the year of his death. The total of all such sums of money in no event shall exceed one-twelfth of the aggregate fees collected by the deceased sheriff and his successor during the year of his death and all fees and commissions the sheriff earned during the year of his death shall be deducted from the amount his personal representative is to receive by this Act.

SB 275, AN ACT establishing a State Theatre of Kentucky.

WHEREAS, the Pioneer School of Drama, Inc., known as the Pioneer Playhouse, is a non-profit, educational school of drama located at Danville, Kentucky; and

WHEREAS, the Pioneer Playhouse has devoted itself to advancing a state-wide interest in the dramatic arts; and

WHEREAS, the Pioneer Playhouse has presented dramatic productions in the various state parks without compensation and sometimes at a loss; and

WHEREAS, the Commonwealth of Kentucky has benefited from the services of the Pioneer Playhouse because the growth of drama has helped to increase and promote tourist trade.

THEREFORE:

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Pioneer School of Drama, Inc., known as the Pioneer Playhouse throughout the whole of these United States, is hereby designated and declared to be the State Theatre of Kentucky. The State Theatre, so designated and declared, may be engaged to present public plays and performances at any and all of the state parks throughout the Commonwealth, may create and present public plays and performances throughout the Commonwealth and may meet with regional groups to help develop ideas in drama, pageants, and centennials, help in tourist promotion, create a playwrights' center and art colony, and offer accreditation of college credits through the state colleges and university, upon and with the approval of the State Department of Education.

Section 2. (1) The State Theatre may charge tuition for attending the school of drama and may charge the public admission for attending the plays and performances, and this shall be the primary income of the State Theatre.

(2) The Commissioner of Parks is authorized to enter into such contracts and make such guarantees to the State Theatre for the presentment of their plays in State Parks as shall be approved by the Department of Finance.

(3) The income so received shall be used by the State Theatre to meet the cost of expenses of the productions and the operation of the school, the depreciation or replacement of equipment, and reasonable compensation to the officers and employees of the State Theatre.

Section 3. The Commissioner of Parks is authorized to accept gifts, donations, bequests and scholarships for the use and benefit of the State Theatre.

Section 4. Nothing in this Act shall be construed as prohibiting the State Theatre from:

(1) Receiving gifts, donations, bequests, and scholarships directly from a benefactor;

(2) Receiving a direct appropriation from the General Assembly; or

(3) Presenting public plays and performances at places other than the various state parks.

SB 213, AN ACT relating to the ownership of securities by minors and making uniform the law with reference thereto.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act may be cited as the Uniform Securities Ownership by Minors Act.

Section 2. This Act shall be so construed as to effectuate its general purpose to make uniform the laws of those states which enact it.

Section 3. In this Act, unless the context othewise requires:

(1) "Bank" is a bank, trust company, national banking association, savings bank, or industrial bank;

(2) "Broker" is a person, including a bank, lawfully engaged in the business of effecting transactions in securities for the account of others and includes a broker lawfully engaged in buying and selling securities for his own account;

(3) "Issuer" is a person who places or authorizes the placing of his name on a security, other than as a transfer agent, to evidence that it represents a share, participation or other interest in his property or in an enterprise or to evidence his duty to perform an obligation

evidenced by the security, or who becomes responsible for or in place of any such person;

(4) "Person" includes a corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, two or more persons having a joint or common interest, or any other legal or commercial entity;

(5) "Security" includes any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificate of interest or participation in an oil, gas, or mining title or lease or in payment out of production under such a title or lease, collateral trust certificate, transferable share, voting trust certificate or, in general, any interest or instrument commonly known as a security, or any certificate or interest or participation in, or any temporary or interim certificate, receipt or certificate of deposit for, or any warrant or right to subscribe to or purchase, any of the foregoing;

(6) "Third-party" is a person other than a bank, broker, transfer agent, or issuer who with respect to a security held by a minor effects a transaction otherwise than directly with the minor;

(7) "Transfer agent" is a person who acts as authenticating trustee, transfer agent, registrar, or other agent for an issuer in the registration of transfers of securities, in the issue of new securities, or in the cancellation of surrendered securities.

Section 4. A bank, broker, issuer, third-party, or transfer agent incurs no liability by reason of his treating a minor as having capacity to transfer a security, to receive or to empower others to receive dividends, interest, principal, or other payments or distributions, to vote or give consent in person or by proxy, or to make elections or exercise rights relating to the security, unless prior to acting in the transaction the bank, broker, issuer, third-party, or transfer agent had received written notice in the office acting in the transaction that the specific security is held by a minor or unless an individual conducting the transaction for the bank, broker, issuer, third-party, or transfer agent had actual knowledge of the minority of the holder of the security. Except as otherwise provided in this Act, such a bank, broker, issuer, third-party, or transfer agent may assume without inquiry that the holder of a security is not a minor.

Section 5. A minor, who has transferred a security, received or empowered others to receive dividends, interest, principal, or other payments or distributions, voted or given consent in person or by proxy, or made an election or exercised rights relating to the security, has not right thereafter, as against a bank, broker, issuer, third-party, or transfer agent to disaffirm or avoid the transaction, unless prior to acting in the transaction the bank, broker, issuer, third-party, or transfer agent against whom the transaction is sought to be disaffirmed or avoided had received notice in the office acting in the transaction that the specific security is held by a minor or unless an indiviudal conducting the transaction for the bank, broker, issuer, third-party, or transfer agent had actual knowledge of the minority of the holder.

SB 214, AN ACT relating to the Uniform Reciprocal Enforcement of Support Act.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 407.100 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter unless the context requires otherwise:

(1) "State" includes any state, territory or possession of the United States and the District of Columbia in which this or a substantially similar reciprocal law has been enacted;

(2) "Initiating state" means any state in which a proceeding pursuant to this or a substantially similar reciprocal law is commenced;

(3) "Responding state" means any state in which any proceeding pursuant to the proceeding in the initiating state is or may be commenced;

(4) "Court" means the circuit or county court of this state and when the context requires, means the court of any other state as defined in a substantially similar reciprocal law;

(5) "Law" includes both common and statute law;

(6) "Duty of support" includes any duty of support imposed or imposable by law, or by any court order, decree or judgment, whether interlocutory or final, whether incidental to a proceeding for divorce, legal separation, separate maintenance or otherwise;

(7) "Obligor" means any person owing a duty of support;

(8) "Obligee" means any person to whom a duty of support is owed, *and a state or political subdivision thereof;*

(9) "Governor" includes any person performing the functions of Governor or the executive authority of any territory covered by the provisions of this Act;

(10) "Support order" means any judgment decree or order of support whether temporary or final, whether subject to modification, revocation or remission regardless of the kind of action in which it is entered;

(11) "Rendering state" means any state in which a support order is originally entered;

(12) "Registering court" means any court of this state in which the support order of the rendering state is registered;

(13) "Register" means to record in the Registry of Foreign Support Orders as required by the court;

(14) "Certification" shall be in accordance with the laws of the certifying state.

Section 2. Section 407.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) Before making the demand on the Governor of any other state for the surrender of a person charged in this state with the crime of failing to provide for the support of any person, the Governor of this state may require any county attorney of this state to satisfy him that at least sixty days prior thereto the obligee brought an action for the support under this Act, or that the bringing of an action would be of no avail.

(2) When under this or a substantially similar Act, a demand is made upon the Governor of this state by the Governor of another state for the surrender of a person charged in the other state with the crime of failing to provide support, the Governor may call upon any county attorney to investigate or assist in investigating the demand, and to report to him whether any action for support has been brought under this Act or would be effective.

(3) If an action for the support would be effective and no action has been brought, the Governor may delay honoring the demand for a reasonable time to permit prosecution of an action for support.

(4) If an action for support has been brought and the person demanded has prevailed in that action, the Governor may decline to honor the demand.

(5) If an action for support has been brought and pursuant thereto the person demanded is subject to a support order, the Governor may decline to honor the demand so long as the person demanded is complying with the support order. [Any obligator contemplated by KRS 407.130, who submits to the jurisdiction of the court of such other state and complies with the court's order of support, shall be relieved of extradition for desertion or non-support entered in the courts of this state during the period of such compliance.]

Section 3. Section 407.170 of the Kentucky Revised Statutes is amended to read as follows:

All duties of support, *including arrearages,* are enforceable by action irrespective of relationship between the obligor and obligee. [Jurisdiction of all proceedings hereunder shall be vested in the circuit or county court.]

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

Jurisdiction of all proceedings hereunder is vested in the circuit or county court.

Section 5. Section 407.180 of the Kentucky Revised Statutes is amended to read as follows:

The complaint shall be verified and shall state the name and, so far as known to the plaintiff, the addresses and circumstances of the defendant, his dependents for whom support is sought and all other pertinent information. The plaintiff may include in or attach to the complaint any information which may help in locating or identifying the defendant *such as* [including, but without limitation by enumeration,] a photograph of the defendant, a description of any distinguishing marks of his person, other names and aliases by which he has been or is known, the name of his employer, his finger prints, or Social Security number.

Section 6. Section 407.220 of the Kentucky Revised Statutes is amended to read as follows:

There shall be no filing fee or other costs taxable to the obligee but a [A] court of this state acting either as an initiating or responding state may in its discretion direct that any part of or all fees and costs incurred in this state, including without limitation by enumeration, fees for filing, service of process, seizure of property, and stenographic service of both plaintiff and defendant, or either, shall be paid by *the obligor or* the county. [Where the action is brought by or through the state or an agency thereof, there shall be no filing fee.]

Section 7. Section 407.240 of the Kentucky Revised Statutes is amended to read as follows:

The Department of Economic Security is hereby designated as the State Information Agency under this chapter, and it shall [be its duty]:

(1) [To] *C*ompile a list of the courts and their addresses in this state having jurisdiction under this chapter and transmit the same to the state information agency of every other state which has adopted this or a substantially similar law; *and*

(2) [To] *M*aintain a register of such lists received from other states and [to] transmit copies thereof as soon as possible after receipt to every court in this state having jurisdiction under this chapter.

Section 8. Section 407.250 of the Kentucky Revised Statutes is amended to read as follows:

After [When] the court of this state [,] acting as a responding state [,] *has received* [receives] from the court of *the* [an] initiating state the aforesaid copies [,] *the clerk of the court* [it] shall [(1)] docket the cause [,] *and* [(2)] notify the county attorney *of his action*

[, (3) set a time and place for a hearing, and (4) take such action as is necessary in accordance with the laws of this state to obtain jurisdiction].

Section 9. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The county attorney shall, on his own initiative, use all means at his disposal to trace the defendant or his property and if, due to inaccuracies of the complaint or otherwise, the court cannot obtain jurisdiction, the county attorney shall inform the court of what he has done and request the court to continue the case pending receipt of more accurate information or an amended complaint from the court in the initiating state.

(2) If the defendant or his property is not found in the county and the county attorney discovers by any means that the defendant or his property may be found in another county of this state or in another state he shall so inform the court and thereupon the clerk of the court shall forward the documents received from the court in the initiating state to a court in the other county or to a court in the other state or to the information agency or other proper official of the other state with a request that it forward the documents to the proper court. Thereupon both the court of the other county and any court of this state receiving the documents and the county attorney have the same powers and duties under this Act as if the documents had been originally addressed to them. When the clerk of a court of this state retransmits documents to another court, he shall immediately notify the court from which the documents came.

(3) If the county attorney has no information as to the whereabouts of the obligor or his property he shall so inform the initiating court.

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

If the plaintiff is absent from the responding state and the defendant presents evidence which constitutes a defense, the court shall continue the case for further hearing and the submission of evidence by both parties.

Section 11. Section 407.280 of the Kentucky Revised Statutes is amended to read as follows:

If the court of the responding state finds a duty of support, it may order the defendant to furnish support or reimbursement therefor and subject the property of the defendant to such order. *The court and county attorney of any county where the obligor is present or has property have the same powers and duties to enforce the order as have those of the county where it was first issued. If enforcement is* *impossible or cannot be completed in the county where the order was issued, the county attorney shall transmit a certified copy of the order to the county attorney of any county where it appears that procedures to enforce payment of the amount due would be effective. The county attorney to whom the certified copy of the order is forwarded shall proceed with enforcement and report the results of the proceedings to the court first issuing the order.*

Section 12. Section 407.350 of the Kentucky Revised Statutes is amended to read as follows:

No [Any] order of support issued by a court of this state when acting as a responding state shall [not] supersede any *other* [previous] order of support [issued in a divorce or separate maintenance action,] but the amounts for a particular period paid pursuant to either order shall be credited against amounts accruing or accrued for the same period under both.

Section 13. A new section of the Kentucky Revised Statutes is created to read as follows:

This Act is applicable when both the plaintiff and the defendant are in this state but in different counties. If the court of the county in which this petition is filed finds that the petition sets forth facts from which it may be determined that the respondent owes a duty of support and finds that a court of another county in this state may obtain jurisdiction of the defendant or his property, the clerk of the court shall send three copies of the complaint and a certificate of the findings to the court of the county in which the defendant or his property is found. The clerk of the court of the county receiving these copies shall notify the county attorney of their receipt. The county attorney and the court in the county to which the copies are forwarded shall then have duties corresponding to those imposed upon them when acting for the state as a responding state.

Section 14. A new section of the Kentucky Revised Statutes is created to read as follows:

If the duty of support is based on a foreign support order, the obligee has the additional remedies provided in the following sections.

Section 15. A new section of the Kentucky Revised Statutes is created to read as follows:

The obligee may register the foreign support order in a court of this state in the manner, with the effect and for the purposes herein provided.

Section 16. A new section of the Kentucky Revised Statutes is created to read as follows:

The clerk of the court shall maintain a Registry of Foreign Support Orders in which he shall record foreign support orders.

Section 17. A new section of the Kentucky Revised Statutes is created to read as follows:

The petition for registration shall be verified and shall set forth the amount remaining unpaid and a list of any other states in which the support order is registered and shall have attached to it a certified copy of the support order with all modifications thereof. The foreign support order is registered upon the filing of the complaint subject only to subsequent order of confirmation.

Section 18. A new section of the Kentucky Revised Statutes is created to read as follows:

The procedure to obtain jurisdiction of the person or property of the obligor shall be as provided in civil cases. The obligor may assert any defense available to a defendant in an action on a foreign judgment. If the obligor defaults, the court shall enter an order confirming the registered support order and determining the amounts remaining unpaid. If the obligor appears and a hearing is held, the court shall adjudicate the issues including the amounts remaining unpaid.

Section 19. A new section of the Kentucky Revised Statutes is created to read as follows:

The support order as confirmed shall have the same effect and may be enforced as if originally entered in the court of this state. The procedures for the enforcement thereof shall be as in civil cases, including the power to punish the defendant for contempt as in the case of other orders for payment of alimony, maintenance or support entered in this state.

Section 20. Section 407.260 of the Kentucky Revised Statutes is repealed.

SB 241, AN ACT relating to Commonwealth's Attorneys.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The effective date of participation of the Commonwealth Attorneys Department in the Kentucky Employes' Retirement System is declared to be July 1, 1956. Both employer and members shall make contributions and members shall receive benefits, based on that date.

SB 289, AN ACT relating to Congressional Districts and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Commonwealth is divided into seven Congressional Districts, composed as follows:

(1) First District. The counties of Fulton, Hickman, Carlisle, Ballard, Graves, McCracken, Calloway, Marshall, Livingston, Crittenden, Caldwell, Lyon, Trigg, Henderson, Union, Webster, Hopkins, Muhlenberg, Butler, Christian, Todd, and Logan.

(2) Second District. The counties of Daviess, McLean, Hancock, Ohio, Breckinridge, Meade, Bullitt, Nelson, Hardin, Larue, Grayson, Hart, Edmonson, Barren, Warren, Simpson, and Allen.

(3) Third District. The county of Jefferson except that portion of Jefferson County outside the boundaries of the City of Louisville whose boundary is as follows: Beginning on the north shore of the Ohio River at low water where the present northeast boundary of the City of Louisville if extended would intersect; thence northeastwardly with the north shore of the Ohio River at low water to a point where the Oldham County line if extended would intersect; thence southeastwardly with the Oldham County line if extended to a point where it intersects the Shelby County line; thence southwardly with the Shelby County line and the Spencer County line to a point where it intersects the Bullitt County line; thence southwestwardly with the Bullitt County line to the center line of Bardstown Road; thence northwestwardly with the center line of Bardstown Road to a point where it intersects the present boundary of Louisville; thence northeastwardly, northwestwardly, eastwardly, northwestwardly, northeastwardly, northwestwardly, northeastwardly, southeastwardly, northeastwardly, northwestwardly, northeastwardly, northwestwardly, southwestwardly, northwestwardly, southwestwardly, northwestwardly, with the present city boundary to the north shore of the Ohio River at low water at point of beginning.

(4) Fourth District. The counties of Green, Metcalfe, Monroe, Taylor, Adair, Cumberland, Casey, Lincoln, Pulaski, Russell, Clinton, Wayne, McCreary, Whitley, Knox, Bell, Harlan, Leslie, Clay, Laurel, Rockcastle, Jackson, Owsley, Estill, Lee, and Powell.

(5) Fifth District. The counties of Fleming, Mason, Bracken, Pendleton, Grant, Campbell, Kenton, Boone, Gallatin, Carroll, Oldham, Trimble, and that portion of Jefferson County outside the boundaries of the City of Louisville whose boundary is as follows: Beginning on the north shore of the Ohio River at low water where the present northeast boundary of the City of Louisville if extended would intersect; thence northeastwardly with the north shore of the Ohio River at low water to a point where the Oldham County line if extended would intersect; thence southeastwardly with the Oldham County line if extended to a point where it intersects the Shelby County line; thence southwardly with the Shelby County line and the Spencer County line to a point where it intersects the Bullitt County line; thence southwestwardly with the Bullitt County line to the center line of Bardstown Road; thence northwestwardly with the center line of Bardstown Road to a point where it intersects the present

city boundary of Louisville; thence northeastwardly, northwestwardly, eastwardly, northwestwardly, northeastwardly, northwestwardly, northeastwardly, southeastwardly, northeastwardly, northwestwardly, northeastwardly, northwestwardly, southwestwardly, northwestwardly, southwestwardly, northwestwardly, with the present city boundary to the north shore of the Ohio River at low water at point of beginning.

(6) Sixth District. The counties of Henry, Owen, Shelby, Spencer, Franklin, Scott, Harrison, Robertson, Bourbon, Nicholas, Anderson, Woodford, Fayette, Clark, Montgomery, Jessamine, Washington, Marion, Boyle, Mercer, Garrard, and Madison.

(7) Seventh District. The counties of Boyd, Carter, Greenup, Lewis, Bath, Rowan, Elliott, Lawrence, Menifee, Wolfe, Morgan, Magoffin, Johnson, Martin, Floyd, Pike, Breathitt, Perry, Knott, and Letcher.

Section 2. Section 120.060 of the Kentucky Revised Statutes is hereby repealed.

Section 3. Whereas, a short time remains until the next primary election, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

Calendar

SB 229, SB 230 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected. Ordered placed in Orders of the Day.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 13, SB 18, SB 88, SB 120, SB 121, SB 122, SB 129, SB 132, SB 133, SB 134, SB 137, SR 26, HB 234, HB 145, HB 122, HB 86, HB 5** had been examined and found correctly enrolled. **SB 13, SB 18, SB 88, SB 120, SB 121, SB 122, SB 129, SB 132, SB 133, SB 134, SB 137, SR 26, HB 234, HB 145, HB 122, HB 86, HB 5** read at length, compared, and signed in open session by the President. **SB 13, SB 18, SB 88, SB 120, SB 121, SB 122, SB 129, SB 132, SB 133, SB 134, SB 137, SR 26, HB 234, HB 145, HB 122, HB 86, HB 5** ordered delivered to the House.

SB 13, SB 18, SB 120, SB 88, SB 121, SB 122, SB 129, SB 132, SB 133, SB 134, SB 137, SR 26 delivered, signed by Speaker. Ordered delivered to the Governor.

Orders of the Day

SB 91 taken from the Clerk's Desk, with House Amendment attached thereto.

Senator Ware moved the adoption of House Amendment to **SB 91.** Agreed.

Said House Amendment to **SB 91** is as follows:

Amend printed copy of Senate Bill 91, on page 2, line 1, by:

Striking the words "any unit" and substituting therefor the following: *"the state, any county, municipality, taxing or school district, including any corporation acting as an agency or instrumentality of such unit, whether created by statute, or organized under the provisions of the non-profit corporation laws,"*

Senator Ware moved the Previous Question on **SB 91**, as amended. Agreed.

On roll call, the vote was yeas 32–Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 91 was passed and the title agreed to.

SB 256 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB 256.** Agreed.

On roll call, the vote was yeas 33–Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 256 was passed and the title agreed to.

Senator Garrett moved that the vote by which **SB 256** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 106 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 106.** Agreed.

On roll call, the vote was yeas 34–Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 106 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 106** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 193 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 193.** Agreed.

On roll call, the vote was yeas 28—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Martin, Miller, Palmer, Raney, Swope, Turner, Ware. Nays 1—Overbey.

SB 193 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 193** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 163 taken from Orders of the Day, by way of committee substitute, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the adoption of committee substitute for **SB 163.** Agreed.

Senator Ware moved the Previous Question on **SB 163,** as amended. Agreed.

On roll call, the vote was yeas 31—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware, White. Nays 4—Blue, Howard, Johnson, Overbey.

SB 163 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 163** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 116 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 116.** Agreed.

On roll call, the vote was yeas 25—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Gardner, Garrett, Hehl, Hickerson, Kelly, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 2—Johnson, Overbey.

SB 116 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 116** was passed be reconsidered and that said motion be laid on the table. Agreed.

SR 28 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SR 28**, as amended on February 19. Agreed.

Senator Ware withdrew his motion on the Previous Question on **SR 28**, as amended on February 19. Agreed.

Senator Overbey moved to table **SR 28**, Senators Overbey and Martin requesting a roll call on said motion. Agreed.

On roll call, the vote was yeas 10—Bishop, Edwards, Gardner, Johnson, Kelly, Logan, McGinty, Martin, Overbey, Swope. Nays 23—Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Hickerson, Kidwell, Kinkead, McCann, Mann, Miller, Nichols, Palmer, Raney, Turner, Ware, White.

Senator Ware moved the Previous Question on **SR 28**, as amended on February 19. Agreed.

On roll call, the vote was yeas 21—Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Kidwell, Kinkead, McCann, Mann, Miller, Nichols, Palmer, Raney, Turner, Ware, White. Nays 14—Bishop, Conley, Duncan, Edwards, Gardner, Hickerson, Howard, Johnson, Kelly, Logan, McGinty, Martin, Overbey, Swope.

SR 28 was passed and the title agreed to.

Senator Ware moved that the vote by which **SR 28** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 154 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by majority of members elected.

Senator Duffy moved to amend **SB 154** as follows:

Amend printed copy of Senate Bill 154 on page 5, line 14, by: adding after the word safety, *Department of Motor Transportation;* and on page 7, line 4, by adding a new subsection (7) to Section 8, to read as follows:

In the event the use of such vehicle in its present condition would, in the reasonable judgment of the arresting officer, endanger the life of any member of the public, the officer shall require the vehicle to be parked, at the owner's expense, and not operated until it is placed in a safe condition. Agreed.

Senator Overbey moved to amend **SB 154** as follows:

Amend printed copy of Senate Bill 154 on page 12, section 13, line 4, by striking the period after the figure 2 and inserting in lieu thereof a comma and by adding the following language: "And all vehicles less than 15 months old and all vehicles operating under an order or permit of the Interstate Commerce Commission shall be exempt from the effects of this act." Agreed.

On roll call, the vote was yeas 22—Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Hehl, Hickerson, Howard, Kinkead, Logan, McCann, Miller, Nichols, Overbey, Palmer, Raney, Ware. Nays 8—Bishop, Garnett, Johnson, Kelly, McGinty, Mann, Martin, Swope.

SB 154 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 154**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Ware moved that the Rules be suspended for the purpose of introducing bills and resolutions. Agreed.

Introduction of Bills and Resolutions

SB 329, by Senator Garrett: AN ACT relating to venue of circuit courts.

SB 330, by Senator Garrett: AN ACT relating to revenue and taxation.

SB 331, by Senator Garrett: AN ACT relating to policeman and fireman benefits.

SB 332, by Senator Garrett: AN ACT relating to appeals in criminal cases.

SB 333, by Senator Garrett: AN ACT relating to elections.

SB 334, by Senator Garrett: AN ACT relating to elections.

SB 335, by Senator Garrett: AN ACT proposing an amendment to section 170 of the Kentucky Constitution relating to taxation.

SB 336, by Senators Duffy and Ware: AN ACT relating to practice of psychology.

SR 48, by Senators Duffy, McGinty, McCann, Miller and Bonn: A JOINT RESOLUTION requesting the Legislative Research Commission to make a study and investigation of the laws of the Commonwealth pertaining to elections.

SR 49, by Senator Howard: A RESOLUTION directing the Legislative Research Commission to study the apportionment of the cost of constructing and maintaining the highways, streets and roads among their users, to recommend any changes in taxes it may find desirable, and to report its findings to the 1964 General Assembly.

Senator Ware announced a meeting of the Rules Committee at 10 a.m., Thursday, March 1, in Room 327.

Senator Ware moved the Senate to adjourn until 1 p.m., Thursday, March 1. Agreed.

THURSDAY, MARCH 1, 1962

FORTY-SEVENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers, Pastor of the First Baptist Church of Frankfort.

The roll was called. All present except Senator Derickson, who was granted leave of absence on motion of Senator McCann.

Reading of Journal for February 28 dispensed with and the same approved on motion of Senator McCann.

Introduction of Bills and Resolutions

SB 337, by Senator Turner: AN ACT relating to cities of the fourth class.

SB 338, by Senator Bishop: AN ACT relating to motor carriers.

SB 339, by Senators McCann, Garrett, Bonn, McGinty, Nichols, Buckman, Ware, White, Cobb, Kiser and Duffy: AN ACT relating to educational benefits for children of certain deceased veterans.

SB 340, by Senator Miller: AN ACT relating to finance and revenue of counties having a population of 300,000 or more.

SR 50, by Senator Buckman: A RESOLUTION requesting and petitioning the United States Corps of Engineers to make a study, or, in the event such study has already been commenced, to continue such study of the advisability of providing for flood control measures on Salt River.

SR 51, by Senator Buckman: A RESOLUTION directing the State Treasurer to pay forthwith to Senator Tom Raney the compensation and allowances due him.

SR 52, by Senators Hickerson and Kidwell: A RESOLUTION extending sympathy upon the death of Edwin C. Dawson; Senate adjourning in his honor.

WHEREAS, the late beloved Edwin C. Dawson was a member of the Senate of the Commonwealth of Kentucky from 1929 to 1945, and served as president pro tem for the last two of his four-year term; and

WHEREAS, he was in the dry-goods business at New Haven for fifty-two years before retiring in 1941; and

WHEREAS, he served as a director of the Bank of New Haven; and

WHEREAS, he was a charter member of the former regional Bishop Martin John Spalding Fourth-degree assembly of Knights of Columbus; and

WHEREAS, Senator Dawson was well known for his friendliness and graciousness;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Senate, on behalf of the Commonwealth which he so long and faithfully served, extend to the family of Senator Edwin C. Dawson its profound and deepest sympathy.

Section 2. That when the Senate does this day adjourn, it does so in memory of Senator Edwin C. Dawson.

Section 3. That a copy of this Resolution be presented to his daughter, Mrs. A. E. Kirkpatrick; his son, Edwin Rocco Dawson, both of New Haven, Kentucky, and his brother, Joe Dawson, North Hollywood, California.

Senator Kidwell moved the adoption of **SR 52.** Agreed.

SR 51, A RESOLUTION directing the State Treasurer to pay forthwith to Senator Tom Raney the compensation and allowances due him.

WHEREAS, under Section 38 of the Constitution of Kentucky each house of the General Assembly is constituted the judge of the qualifications of its members; and

WHEREAS, the State Treasurer under color of holding doubt as to the qualifications of Senator Tom Raney refused and has continued to refuse to pay to Senator Raney the compensation and allowances due him; and

WHEREAS, the Senate, in Senate Resolution 35, officially recognized Senator Tom Raney as the legally qualified Senator from the Thirty-first District; and

WHEREAS, under the Constitution and laws of the Commonwealth the State Treasurer is thus obligated to pay to Senator Raney the compensation and allowances due him;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the State Treasurer is directed to pay forthwith to Senator Tom Raney the compensation and allowances due him.

Senator Buckman moved the adoption of **SR 51.** Agreed.

SR 49, A RESOLUTION directing the Legislative Research Commission to study the apportionment of the cost of constructing and maintaining the highways, streets and roads among their users, to recommend any changes in taxes it may find desirable, and to report its findings to the 1964 General Assembly.

WHEREAS, the costs of building and maintaining highways, streets and roads are a major part of the budget of the Commonwealth, and are becoming greater every year; and

WHEREAS, there is evidence that such costs are not equitably distributed among the various owners and operators of vehicles using the highways, streets and roads and between them and the public at large; and

WHEREAS, the General Assembly is in need of complete information to guide it in framing new legislation on this subject,

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. The Legislative Research Commission is hereby directed to study the manner in which the costs of constructing and maintaining the highways, streets and roads of the Commonwealth are now apportioned among the various owners and operators (both resident and non-resident) of vehicles using such highways, streets and roads, including (but not by way of limitation) common carriers of persons, common carriers of property, contract carriers, private carriers, exempt carriers, local cartage vehicles, passenger automobiles, farm trucks, and how these costs should be apportioned in the interest of the public welfare.

Section 2. The Legislative Research Commission shall include in its study a consideration of changes in the gasoline tax, the tax on special fuels, motor vehicle license fees, gross weight taxes, ad valorem taxes, and any other taxes now levied on owners or operators of motor vehicles, in order to obtain necessary revenues for highway, street and road construction, and to apportion them properly, and shall, by reference to the laws of other states, consider the effect, if levied in Kentucky, of taxes now levied in such other states but not in Kentucky, including weight-distance taxes.

Section 3. The Legislative Research Commission shall include in its study a consideration of the effect upon the tax revenues of Kentucky of reciprocity agreements between this Commonwealth and other states.

Section 4. The Legislative Research Commission shall complete its study, and prepare a report thereof, no later than October 1, 1963, and shall report its findings and recommendations to the 1964 General Assembly by sending a copy of its report, with all of its findings and recommendations, to each member of the 1964 General Assembly no later than November 15, 1963. The Commission shall make copies of its report, findings and recommendations available to the public and keep a reasonable number of copies available for public information in its office.

Senator Howard moved the adoption of **SR 49.** Agreed.

SR 53, by Senator Kelly: A RESOLUTION memoralizing the President and the Congress of the United States to use their good offices in promoting the establishment of the Red River Dam.

WHEREAS, it has long been of great importance to the citizens of the Commonwealth of Kentucky and more particularly to the citizens of Powell, Wolfe, and Menifee counties in Eastern Kentucky that the natural resources of that area be developed and utilized to the best advantage of the nation and of the Commonwealth; and

WHEREAS, the Red River area is now, as it has been in the past, ravaged by floods and heavy rains causing widespread damage; and

WHEREAS, the U. S. Army Corps of Engineers has completed its study of the Red River Dam project;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the President and Congress of the United States are hereby urged to use their good offices in securing the construction and completion of the Red River Dam project in Powell County, Kentucky.

Section 2. That the Clerk of the Senate shall cause copies of this resolution to be forwarded to the President of the United States and to the members of the U. S. House of Representatives from Kentucky.

Senator Kelly moved the adoption of **SR 53.** Agreed.

SR 54, by Senator Garrett: A RESOLUTION petitioning and requesting the Department of Parks to capitalize on perhaps the most potential tourist attraction in our Commonwealth by establishing a state park at the site where once stood Fort Jefferson, in Ballard County, which was named in honor of a president of the United States and writer of the Constitution of the United States, Thomas Jefferson.

WHEREAS, the Commonwealth of Kentucky, being one of the most historic places in the world, has embarked upon a program to benefit and profit by advertising such fact to the ever growing number of tourists; and

WHEREAS, the Commonwealth is adding to its already tourist appeal by erecting a statewide system of parks; and

WHEREAS, the site of Fort Jefferson overlooks the two greatest waterways in America, the Ohio and the Mississippi, which in itself is a tourist attraction; and

WHEREAS, the resurrection of old forts has proven to be one of the greatest of all tourist attractions throughout the United States; and

WHEREAS, the history of Fort Jefferson is a romantic and dramatic account of the antagonism between Pioneer and Indian; and

WHEREAS, the resurrection of Fort Jefferson would be another step toward the perfection of our Commonwealth's park system;

NOW, THEREFORE

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Department of Parks capitalize on perhaps the most potential tourist attraction in our Commonwealth by resurrecting Fort Jefferson, in Ballard County, and establishing it as a state park in which capacity it rightfully belongs.

Section 2. That the Clerk of the Senate have delivered to the Commissioner of the Department of Parks a copy of this resolution.

Senator Garrett moved the adoption of **SR 54.** Agreed.

SR 55, by Senators Overbey and Kelly: A RESOLUTION congratulating Murray State College and Morehead State College for their great progress and contributions to the ever rising level of education throughout this Commonwealth.

WHEREAS, the 1922 session of the General Assembly enacted a law authorizing the establishment of an institution to train elementary teachers in Western Kentucky, and another such institution in Eastern Kentucky; and

WHEREAS, under the authority of that Act of the General Assembly a commission was appointed by the Speaker of the House of Representatives and the Lieutenant Governor to locate the two training institutions for elementary teachers; and

WHEREAS, the commission located the institution for Western Kentucky in Murray, and the institution for Eastern Kentucky in Morehead; and

WHEREAS, these two institutions which were created as normal schools have now attained the status of state colleges; and

WHEREAS, Murray State College and Morehead State College have advanced to the highest levels of accreditation and achievement; and

WHEREAS, Murray State College and Morehead State College are celebrating the fortieth year of their creation with appropriate recognition exercises;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Senate extends its congratulations to the students, faculties and alumni of Murray State College and Morehead State College; and that the Senate extends its compliments to the Boards of Regents and administrative staffs of Murray State College and Morehead State College for the vision and judgment with which the colleges have been directed; and that the Senate expresses its continued faith and confidence in the presidents of Murray State College and Morehead State College in their untiring efforts to accommodate the youth of the Commonwealth of Kentucky who desires an education beyond the high school level.

Section 2. That the Clerk of the Senate shall send by registered letter a copy of this resolution to the President of Murray State College and another copy to the President of Morehead State College.

Senator Kelly moved the adoption of **SR 55.** Agreed.

SR 50, A RESOLUTION requesting and petitioning the United States Corps of Engineers to make a study, or, in the event such study has already been commenced, to continue such study of the advisibility of providing for flood control measures on Salt River.

WHEREAS, it is common knowledge that floods are frequent along the Salt River in general and in Anderson, Nelson, Spencer, and Bullitt Counties in particular; and

WHEREAS, due to recent flooding in this area the need for flood control may be necessary; and

WHEREAS, the citizens of the Counties involved have shown a marked interest in alleviating these conditions;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the United States Corps of Engineers are requested and petitioned to make a study, or continue any studies now being conducted, concerning the advisability of and the necessity for taking flood control measures on Salt River; particularly as such measures would alleviate the flooded conditions which are rather common in the Counties of Anderson, Nelson, Spencer and Bullitt.

Section 2. That a copy of this resolution be sent to each United States Senator and Representative from Kentucky and the United States Corps of Engineers.

Senator Buckman moved the adoption of **SR 50.** Agreed.

SR 56, by Senator Garrett: A RESOLUTION expressing appreciation to the Ford Motor Company for entertaining the members of the General Assembly.

WHEREAS, the Ford Motor Company has contributed much toward the industrial development and welfare of Kentucky; and

WHEREAS, the Ford Motor Company has been exemplary as an industrial citizen; and it has been a leader among the industries of America in encouraging its officers and employes to assume their responsibility to their country, to their state and to their nation; and

WHEREAS, through the Ford Foundation many millions of dollars have been contributed to the advancement of education, of arts, of highway safety, of youth activities and many other worthwhile programs in Kentucky; and

WHEREAS, the Ford Motor Company is worthy to be known as the "Good Neighbor" Company,

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Ford Motor Company be most highly commended for its outstanding conduct as an industrial citizen, for its interest and industrial leadership in the community life of Kentucky and for its valuable contributions towards the advancement of education, science, industry and the civic life of Kentucky.

Section 2. That the Ford Motor Company be extended the thanks of the Kentucky State Legislature for the educational and enjoyable tour of its Louisville Plant and for the delightful dinner on February 28, 1962.

Senator McCann moved the adoption of **SR 56.** Agreed.

Report on Enrolled Bill

Committee on Enrollment reported **SB 91** had been examined and found correctly enrolled. **SB 91** read at length, compared, and signed in open session by the President. **SB 91** ordered delivered to the House.

SB 91 delivered, signed by Speaker. Ordered delivered to the Governor.

Report of Committee

Rules Committee reported **SB 64, SB 138, SB 183, HB 321** (with Committee Amendment) **HB 380, SB 239, SB 262, HB 239, SB 323, SB 324, SB 325, SB 326, HB 437, HB 366, HB 356, HB 293, HB 205, HB 191, HB 128, HB 9** (with Committee Amendment) **HB 228, SB 38, SB 311, SB 315, SB 212, SB 215, SB 285, HB 382, HB 329, HB 247, SB 301, HB 60, SB 200, HB 264, SB 174, HB 74, HR 56, HR 43** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 64, AN ACT relating to the fictitious report of the commission of a crime.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Any person who shall wilfully make to any peace or police officer, of this state, or to any peace or police officer of any county, city, or town or other political subdivision of this state a fictitious report of a commission of any crime knowing the same to be false, shall be guilty of a misdemeanor and upon conviction shall be fined not more than five hundred dollars or imprisoned in the county jail for not more than ninety days, or both.

SB 138, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) Before the owner of a motor vehicle, other than a motor vehicle engaged in the transportation of passengers for hire operating under a certificate of convenience and necessity, may operate it or permit its operation upon a highway, the owner shall apply for registration in accordance with regulations issued by the department, except that a person who purchased a *new* motor vehicle, or *who* brings a motor vehicle into the Commonwealth from another state, shall make application for registration *and a certificate of ownership*

within five days. *Proof of ownership* [The bill of sale] must be in the motor vehicle during this five day period. If the owner of a motor vehicle is an individual and resides in the Commonwealth, the motor vehicle shall be registered with the county clerk of the county in which he resides. If the owner of a motor vehicle does not reside in the Commonwealth, the motor vehicle shall be registered with the county clerk of the county in which the motor vehicle is principally operated. If the owner of a motor vehicle is other than an individual, and resides in the Commonwealth, the motor vehicle shall be registered with the county clerk of either such county. The application when presented to the county clerk for registration shall be accompanied by *the owner's registration receipt if the motor vehicle was last registered in this state. The application when presented to the county clerk for registration and a certificate of ownership shall be accompanied by:*

(a) [A bill of sale and] A manufacturer's certificate of origin if the application is for [the registration of] a new motor vehicle; or

[(b) The owner's registration receipt, if the motor vehicle was last registered in this state;]

(b) [(c)] A bill of sale and the previous registration receipt, if last registered in another state where the law of such state does not require the owner of a motor vehicle to obtain a certificate of title or ownership; or

(c) [(d)] A certificate of title, if last registered in another state where the law of such state requires the owner of a motor vehicle to obtain a certificate of title or ownership.

(2) After that, the owner shall register his motor vehicle on or before March 1 of each year. If, before operating such motor vehicle in this state, the owner registers it at some later date and pays the fee for the full year, he will be deemed to have complied with the law. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the department.

(3) The application and documents presented therewith shall be retained on file in the office of the clerk for a period of not less than seven years, *except that all previous registration documents and certificates of title or ownership on motor vehicles last registered in another state shall be forwarded by the clerk to the Department of Public Safety weekly at the end of each calendar week.*

Section 2. Section 186.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon receiving the application and *necessary fees* [fee], the county clerk shall issue to the owner a registration receipt, *or a registration receipt and a certificate of ownership, as the case may be, except that no certificate of ownership shall be issued by the clerk in respect to any motor vehicle previously registered in a state where*

the law of such state does not require the owner of a motor vehicle to obtain a certificate of title or ownership until the clerk has received authorization to issue a certificate of ownership covering said vehicle from the Department of Public Safety. Upon receipt of such authorization, the clerk shall forthwith issue a certificate of ownership covering the vehicle. [containing the information required by subsection (2) and a registration plate. If the department finds that there is a shortage of materials suitable for making plates, or that a substantial saving will result, it may require by regulation with the approval of the Governor that previously issued plates continue to be used for a designated period. For services performed, the owner shall pay the county clerk the sum of fifty cents for each registration in addition to the registration fee.]

(2) The registration receipt *and certificate of ownership* shall contain the registration number, the names and post office addresses of the owner, *information regarding the lienholders* [and of the lienholder] as shown by chattel *mortgages* [mortgage], or other *instruments* [instrument] construed as such in this state, on file in the office of the county clerk and such other information as the department may require. The county clerk shall be paid *such fees as are provided by law* [a fee of sixty cents] for recording each lien on the *certificate of ownership* [registration receipt] in addition to statutory recording fees for recording the chattel *mortgages* [mortgage], or other *instruments* [instrument] construed as such in this state.

(3) If a motor vehicle, other than a new motor vehicle, is registered in this state under the authority of a bill of sale, registration receipt or title, the registration receipt *and certificate of ownership* shall show the title or the registration number and the name of the state issuing same under which the motor vehicle was last registered in addition to such other [required] information *as the department may require.*

Section 3. Section 186.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever a motor vehicle that has been previously registered changes ownership, the registration plate shall remain upon such motor vehicle as a part of it until the expiration of the registration year.

(2) No person shall sell or trade any motor vehicle without delivering to the county clerk of the county in which the sale or trade is made the registration receipt issued on the motor vehicle for the current year [and], the bill of sale, *and the certificate of ownership, if any.*

(3) Upon delivery of the registration receipt, [and] the bill of sale *and the certificate of ownership, if any,* to the county clerk of the county in which the sale or trade was made, the seller shall pay

to the county clerk a transfer fee of one dollar which shall be remitted to the department *and the required fees for a certificate of ownership.* The county clerk shall thereupon issue to the purchaser a transfer of registration *and a certificate of ownership* bearing the same *character of* data and information as contained on the original registration receipt [except the change in name and address. The seller shall pay to the county clerk a fee of one dollar for his services.], *and as is required on certificates of ownership.*

(4) Whenever a county clerk issues to a purchaser a transfer of registration *and a certificate of ownership* in a county other than the one in which the motor vehicle was originally registered, the clerk shall immediately mail one copy of the transfer of registration to the clerk of the county of original registration.

(5) If the owner junks or otherwise renders a motor vehicle unfit for future use, he shall deliver the registration plate, [and] registration receipt, *and certificate of ownership if one has been issued,* to the county clerk of the county in which the motor vehicle is junked. The county clerk shall immediately return the plate and registration receipt to the department; *and the certificate of ownership, to the Department of Public Safety.* The owner shall pay to the county clerk fifty cents for his services.

(6) A [licensed] motor vehicle dealer *licensed under KRS 186.070* shall not be required to pay the transfer fee provided by this section, *or to secure a certificate of ownership, in respect to vehicles handled by him in the course of his business,* but shall be required to [pay the county clerk's fee provided by this section] *secure appropriate registrations covering said vehicles.*

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

The Department of Public Safety shall publish and maintain in force and effect a list of those states which have laws requiring the owners of motor vehicles to obtain a certificate of title or ownership, and shall furnish such list, and any amendment thereof, to each county clerk.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

The Department of Public Safety upon receipt from any county court clerk of an application for a certificate of ownership of a motor vehicle shall immediately investigate the status of ownership of the said vehicle, and within ten days after receipt of said application authorize the clerk to issue a certificate of ownership covering said vehicle, or a denial of authorization to the clerk to issue said certificate.

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

The Department of Public Safety shall maintain a permanent file as to the certificates of ownership covering motor vehicles issued by the county court clerks of this state, which file shall be a public record.

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

In each instance where a county court clerk issues a certificate of ownership covering a motor vehicle, the clerk shall also issue a Memorandum of Ownership covering said vehicle, which shall be in such form as the Department of Public Safety shall prescribe by regulation. Any certificate of ownership issued in respect to any motor vehicle upon which there is a lien of record shall be transmitted by the clerk to the first lienholder of record and any memorandum of ownership shall be delivered by the clerk to the owner of the motor vehicle. In the event of a second lien of record, after satisfaction of the first, certificate of ownership shall be forwarded to the second lienholder of record. A copy of all memorandums of ownership issued by the clerk shall be forwarded to the Department of Public Safety weekly at the end of each calendar week.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

In cases where an application is made to the clerk for a duplicate certificate of ownership, the clerk shall forthwith forward the application to the Department of Public Safety, which shall check its master stolen car and lien file in regard thereto. If the investigation of the Department of Public Safety reveals the application to be in appropriate order, it shall immediately authorize the clerk to issue a duplicate certificate of ownership to the owner, which duplicate certificate shall bear the legend: "This is a duplicate certificate of ownership and may be subject to an undisclosed lien under the original certificate." In cases where an application is made to the clerk for a duplicate memorandum of ownership, the clerk may issue such duplicate upon payment to the clerk of a fee of fifty cents.

Section 9. A new section of the Kentucky Revised Statutes is created to read as follows:

Any owner of a motor vehicle registered in Kentucky may at any time voluntarily make application to the appropriate county court clerk after the effective date of this act for a certificate of ownership.

Section 10. A new section of the Kentucky Revised Statutes is created to read as follows:

At the end of a period of time to be established by the Department of Public Safety, at least three years subsequent to the effective date of this act, owners of all motor vehicles for which no certificate of ownership has been issued in Kentucky who seek to register a vehicle in this state must secure a certificate of ownership and must present their memorandum of ownership to the county court clerk before their vehicle may be registered in this state. It shall be noted on the memorandum of ownership and certificate of ownership that this vehicle has previously been registered in this state.

Section 11. Section 186.195 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever the owner of a motor vehicle, properly registered in this state, executes a lien thereon he shall deliver the registration receipt *or certificate of ownership, if one has been issued,* to the secured party. The secured party shall, within ten days thereafter, present [such receipt] *the document,* together with the lien instrument and proper fees, to the county clerk of the county in which the motor vehicle is registered for recording.

(2) The county clerk shall, within five days, mail the registration receipt with the lien recorded thereon to the owner, and shall also record the lien on the copy of the registration receipt on file in the county clerk's office. *If a certificate of ownership has been issued upon the vehicle subject to the lien, the county clerk shall secure an application for lien from the secured party, together with the proper fee therefor, and shall, within five days, forward a copy of the application for lien to the Department of Public Safety, where it shall be placed on file. The clerk shall forward the original certificate of ownership with the lien information denoted thereon, to the first lienholder of record. In the event of a second lien of record, after satisfaction of the first, the certificate of ownership shall be forwarded to the second lienholder of record.*

(3) Whenever a lien instrument affecting a motor vehicle *for which no certificate of ownership has been issued* is presented to a county clerk for recording in any county other than the one in which the motor vehicle is registered, the county clerk shall, in addition to the other requirements of this section, [and the requirements of KRS 382.670] mail a notice of the recorded lien to the clerk of the county in which the motor vehicle is registered on a form which the Department of Revenue shall supply. Upon receipt of said notice, the county clerk shall record the lien on the copy of the registration receipt on file in the county clerk's office.

(4) (a) [When the security interest] *Whenever a lien upon a motor vehicle for which no certificate of ownership has been issued* is assigned or discharged pursuant to law, the owner shall present the registration receipt *for such vehicle* to the secured party who shall

record thereon in language prescribed by the Department the fact that the lien has been assigned or discharged. The recording shall show the date thereof and shall be signed by the secured party, or his authorized agent, and acknowledged before an officer authorized to administer an oath.

(b) *Whenever a lien upon a motor vehicle is assigned or discharged pursuant to law, the lienholder shall, within thirty days, make application to the county court clerk for release thereof, and the clerk upon receipt of such application and the required fee, shall execute a release of the security interest. In addition, if a certificate of ownership has been issued in respect to the motor vehicle, the secured party shall tender to the clerk the certificate of ownership covering the motor vehicle which was the subject of security, and the clerk shall forward said certificate to the person entitled to receive same, and shall forward to the Department of Public Safety information as to the assignment or release of the lien.* [The secured party shall file a statement of assignment or termination which statements shall be governed by the provisions of KRS 355.9-404 and 355.9-403 and any other applicable provision of law, and which must be filed within thirty days of the assignment or discharge of the security interest.]

[(c) When a discharge or assignment has been recorded on the owner's registration receipt, the owner may present the registration receipt to the county clerk who shall record the information on the copy of the receipt which contains the lien information on file in the county clerk's office, for which services the owner shall pay the clerk a fee of twenty-five cents.]

(5) For failure to present the *necessary documents* [registration receipt] and record the lien [instrument] within the time prescribed, the secured party shall pay a penalty of two dollars to the county clerk as a prerequisite for recording the lien information [on the registration receipt]. The penalty, less the county clerk's commission of five percent, shall be remitted to the department.

(6) *(a)* No lien executed prior to January 1, 1960, shall be recorded on the registration receipt issued by a county clerk.

(b) No lien executed prior to the effective date of this act shall be recorded on a certificate of ownership issued by a county clerk.

Section 12. Section 186.210 of the Kentucky Revised Statutes is amended to read as follows:

No person shall make any false statement in *any* [an] application for registration, *certificate of ownership, memorandum of ownership,* [application for] duplicate receipt or plate, bill of sale, registration receipt, motor number, vehicle identification number, *application for lien or release or assignment thereof.* The penalty provided for violation of this section by KRS 186.990 shall be printed prominently on every form or blank used for these purposes and furnished by the

Department *of Revenue and Department of Public Safety.* No person shall use, display, or keep registration plates [or], registration receipts, *certificates of ownership, or memorandums of ownership,* that do not belong, or have not been issued to him.

Section 13. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) The county court clerk shall charge the following fees for services in connection with the issuance of certificates of ownership, memorandums of ownership, and the recordation, assignment or release of security interests, and the distribution of said fees shall be governed as follows:

Transaction	Department Fee	Clerks Fee	Total Fee
First Application	$1.00	$1.00	$2.00
Out of State Vehicle Application	1.00	1.00	2.00
Rebuilt Vehicle Application	1.00	1.00	2.00
Transfer of Ownership or Application	1.00	1.00	2.00
Assignment of Interest in Vehicle	.25	.75	1.00
Duplicate Certificate Application	2.00	1.00	3.00
Surrender of Document	none	.50	.50
Security Interests			
Recording or filing Over $200.00	1.00	2.60	3.60
Recording or filing Under $200.00	none	2.60	2.60
Release	.25	.75	1.00
Assignment of security interest	.25	.75	1.00

(2) The county clerk shall keep a separate itemized account of fees received in the manner prescribed by the department.

(3) The county clerk shall report and remit each Monday to the Department of Revenue all money due to the department. A copy of such report, accompanied by the duplicates of all receipts issued by the clerk during the same period, shall simultaneously be forwarded to the department. All checks shall be made payable to the State Treasurer. Upon failure of the clerk to report and remit for more than seven days after the report is due, he shall pay a penalty of ten per cent on the amount of money due. All penalties collected under the provisions of the Act shall be paid into the State Treasury as a part of the revenue collected under this Act.

(4) All fees forwarded by the county clerks to the State Treasury for the issuance of the application for a certificate of ownership of each motor vehicle, and applications for a duplicate certificate of ownership, shall be placed to the credit of a revolving or trust and agency fund account to the Department of Public Safety to provide necessary funds to administer this Act.

Section 14. A new section of the Kentucky Revised Statutes is created to read as follows:

The provision of this Act shall be construed as being within the exemption established by KRS 355.9-302(3) (b) and the provisions of KRS 355.9-302(4) shall be applicable to this act.

SB 183, AN ACT regulating private employment agencies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this act:

(1) "Person" includes an individual, partnership, association, corporation, contractor, or subcontractor.

(2) "Fee" means anything of value, including any money or other valuable consideration, paid or contracted to be paid, directly or indirectly for any service or act performed by an employment agency.

(3) "Employment" includes engagement.

(4) "Employment agency" means any person who, for a fee, (a) procures or offers or attempts to procure employees for persons seeking the service of employees, or employment for persons seeking employment; or (b) supplies employees or workers to render services under the direct or indirect supervision or control of persons seeking the service of such employees or workers; or (c) in seeking to perform any of the foregoing, gives information by any means as to where employees or employment may be obtained.

(5) "Department" means Department of Industrial Relations.

(6) "Commissioner" means Commissioner of the Department of Industrial Relations.

Section 2. No employment agency shall do business unless it shall have first obtained a license from the Commissioner who shall issue such license or a renewal thereof upon finding after investigation that the premises upon which the business will be conducted are suitable for use as an employment agency and that the applicant is of good moral character and has complied with the requirements, rules and regulations thereunder, and upon the payment of a fee of twenty-five dollars by the employment agency. The application for a license shall contain such information and be in such form as the Commissioner may by regulation prescribe. Each license shall state the name of the licensed person, the name under which the business shall be conducted and the specific place or places of business of the employment agency. Each license issued hereunder shall be valid only as to the person and place or places named therein. Such license shall be effective from the date specified therein and shall remain in effect for one year from such date unless suspended or revoked. In accordance with such procedure as the Commissioner may by regulation prescribe, an employment agency shall make annual application for the renewal of its license. Such application must be filed with and received by the Commissioner not less than fifteen days prior to the expiration date. Pending administrative action on an application for the renewal of the license, such license may be continued in effect for a period not to exceed 60 days beyond the expiration date of the license.

Section 3. (1) No license to act as an employment agency shall be issued unless the applicant therefor shall furnish to the Commonwealth of Kentucky a bond approved by the Commissioner, in the sum of one thousand dollars. Such bond shall be in the form of cash or a bond executed by a qualified surety company authorized to do business in this state. Such bond shall be further conditioned that the suspension or revocation of a license to operate an employment agency shall not affect the coverage of such bond as to a claim arising out of acts which occurred prior to the date of such suspension or revocation. The Commissioner may at any time notify the licensee to file a new or supplementary bond, in an amount not to exceed the amount of the initial bond, whenever the Commissioner shall deem the surety of such bond to be unsatisfactory, or the amount of such bond to have become insufficient to satisfy all claims accrued or contingent against the licensee. In the event of revocation, surrender or expiration of the license of the employment agency, such cash bond shall not be released for a period of six months thereafter.

(2) Any person suffering loss or damage by reason of the failure of an employment agency to comply with any provision of this act or any rule, regulation, or order issued thereunder, shall be entitled to an action on such bond for the recovery of the amount of such loss or damage. Action on such bond may be maintained in the name of the Commonwealth of Kentucky and in any court of competent jurisdiction by any one or more persons suffering such loss or damage for and on behalf of himself or themselves or by an agent designated by such person or persons, or by the Commissioner for the use of such person or persons.

Section 4. No employment agency licensed under this act shall:

(1) Require applicants for employees or employment to subscribe to any publication or incidental service or contribute to the cost of advertising.

(2) Impose any fees for the registration of applicants for employees or employment or any fee except for furnishing employees or employment obtained directly through the efforts of such agency.

(3) Charge a fee greater than that stated in the schedule filed with the Commissioner pursuant to Section 6 (3) of this act.

(4) Receive or require any person to execute any paper or document relating to the liability of any applicant for employment except on such forms as shall have been approved by the Commissioner and every such document made or executed contrary to the provisions of this act shall be void and unenforceable both in law and in equity.

(5) Use any contract form or other forms except as the Commissioner may by rule or regulation prescribe.

(6) Make, give, or cause to be made or given to any applicant for employees or employment any false promise, misrepresentation or inaccurate or misleading statement or information if such agency had knowledge or should have had knowledge of such falsity, misrepresentation or inaccurate or misleading statement or information.

(7) Make or cause to be made or use any name, sign, or advertising device bearing a name which may be similar to or may reasonably be confused with the name of government agency.

(8) Refer any employee or applicant for employment to a place where a strike or lockout exists without furnishing such employee or applicant with a written statement as to the existence of such strike or lockout, if the agency had knowledge or should have had knowledge of such facts or conditions, a copy of which statement signed by the employee or applicant shall be kept on file for one year after the date thereof.

(9) Engage or attempt to engage in the splitting or sharing of fees with an employer, an agent or other employee of an employer, or other person to whom employment service has been furnished, or any other person not authorized to charge a fee under this act.

(10) Procure or attempt to procure the discharge of any person from his employment.

(11) Unduly influence an employee to quit his employment for the purpose of obtaining other employment through such agency.

(12) Make any referral to an employment or occupation prohibited by law.

(13) Operate directly or indirectly in conjunction with the employment agency any lodging house, restaurant, small loan company, or any place where intoxicating liquors or beverages are sold or dispensed.

(14) Except with the written consent of the Commissioner conduct an employment agency business in a room or rooms used for eating, sleeping, or other living purposes.

(15) Refer any applicant for employment except upon order therefor.

Section 5. (1) No employment agency shall impose a fee in excess of: (a) ten per centum of the gross cash wages paid to any person placed for employment which lasts no longer than ninety days, provided that in no case shall the fee exceed twenty-five dollars; (b) ten per centum of the gross cash wages paid to such person for employment which lasts longer than ninety days, provided that in no case shall the fee exceed fifty dollars; or (c) two per centum of the first year's gross salary where such person is by written contract guaranteed an annual gross salary up to $6,000; (d) three per centum of the first year's gross salary where such person is by written contract guaranteed an annual gross salary between $6,000 and $9,000; (e) four per centum of the first year's gross salary where such person is by written contract guaranteed an annual gross salary over $8,999, provided that in no case shall the fee exceed $600. Every employment agency shall issue a receipt acknowledging payment of any fee.

(2) Where an applicant for employees or employment who has paid a fee fails to secure or refuses to accept employees or employment, such fee shall be returned in cash within three days after demand or within three days after the employment agency has knowledge of such failure to secure or refusal to accept employees or employment, whichever comes first. Where, due to no fault of such applicant or because the employee or employment is other than as represented by the employment agency, employment is discontinued within 60 days, then all fees paid pursuant to subsection (1) of this section by such applicant in excess of the applicable maximum for the period worked shall be returned in cash within three days after demand or within three days after the employment agency has knowledge that such employment is discontinued, whichever comes first.

Section 6. Every employment agency shall: (1) in such form and manner as the Commissioner shall require, make and keep true and accurate information, reports, and records relating to the business of such agency; (2) post or display conspicuously at each place of business the license required under Section 2 of this act and an abstract furnished by the Commissioner of the provisions of this act and the rules and regulations issued thereunder; (3) file a schedule of fees in duplicate with the Commissioner who shall determine that the maximum fees set in the schedule are not in excess of those provided in this act and shall return one copy of the schedule. A copy of this schedule shall be posted in each place of business of the agency.

Section 7. The Commissioner shall make or cause to be made all necessary inspections and do all other things necessary to the proper effectuation and enforcement of this act. In the performance of such duties, the Commissioner or his authorized representative may enter and inspect any premises where an employment agency carries on its business, and shall have access to, and the right to copy information pertinent to enforcement of this act, from all records, documents, and other papers relating to the business of such agency and shall have the power to require by subpoena the production of all such documentary evidence relating to any matter under investigation. The Department shall have the authority and jurisdiction over prosecutions for violations of this act.

Section 8. (1) Any employment agency who charges fees in excess of those provided in this act or who fails to refund fees as provided in this act shall be liable to such person affected for the full amount of such excess fees or refund due, and for such costs, legal interest, and such reasonable attorney's fees as may be allowed by the court.

(2) At the written request of any person charged fees in excess of those provided in this act or due fee refunds as provided in this act, the Commissioner may take an assignment of such claims in trust for the assigning person and may bring any legal action necessary to collect such claim, and the employment agency shall be required to pay the costs, legal interest, and such reasonable attorney's fees as may be allowed by the court.

Section 9. (1) The Commissioner shall make and revise rules and regulations including definitions to the extent necessary to effectuate the purposes of this act and the provisions thereof.

(2) No rules or regulations or revisions thereof shall be issued by the Commissioner except upon reasonable notice to, and opportunity to be heard by, any interested person.

Section 10. The Commissioner may refuse to issue, and may revoke, any license for any failure to comply with, or for violation of, the provisions of this act or for any other good cause shown, within the meaning and purpose of this act. The Commissioner instead of revoking any license, may suspend the license for such period of time as he shall determine to be just and proper, and may issue a new license, notwithstanding the revocation of a prior license, provided he shall find that the applicant shall have become entitled to such new license. No refusal to issue a license or no revocation or suspension of a license shall be made except upon reasonable notice to, and opportunity to be heard by, an applicant or licensee, as the case may be.

Section 11. (1) Any interested party aggrieved by a final decision of the Commissioner pertaining to the refusal to issue, or the revocation or suspension of a license shall be entitled to judicial review thereof in Franklin Circuit Court. Proceedings for review shall be instituted by filing a complaint with the court within 30 days after notification of the final decision of the Commissioner. A copy of the complaint and summons shall be served upon the Department of Industrial Relations which shall constitute service upon the Commissioner. Within 30 days after said service, or within such further time as the court may allow, the Department shall transmit to the court the original or a certified copy of the record of the proceeding under review; but, by stipulation, the record may be shortened. The review shall be conducted by the court without a jury; and except as otherwise provided by this section, the applicable Rules of Civil Procedure shall be followed. The review shall be confined to the record, except that in cases of alleged fraud or misconduct of some person engaged in the administration of this act testimony thereon may be taken in the court. The court shall not substitute its judgment for that of the Commissioner as to the weight of the evidence on questions of fact; but it may affirm the decision of the Commissioner, or remand the case for further proceedings, or it may reverse or modify the Commissioner's decision if substantial rights have been prejudiced because the findings, conclusions, or decisions are: (a) in violation of constitutional or statutory provisions, or (b) in excess of the statutory authority or jurisdiction of the Commissioner; or (c) procured by fraud; or (d) not supported by substantial evidence. Proceedings for the judicial review of final decisions or intermediate action by the Commissioner involving the refusal to issue, or the suspension or revocation of a license shall not be instituted except as provided by this section; provided, however, any intermediate ruling shall be immediately reviewable in any case in which review of the final decision of the Commissioner would not provide an adequate remedy.

(2) Any final judgment of the Franklin Circuit Court may be reviewed by appeal to the Court of Appeals. Such appeal shall be taken in the manner provided by law for appeals from the circuit courts in other civil cases.

Section 12. Any person, or any agent, servant or employee of any person who violates any of the provisions of this act and any holder of an employment agency license, or any agent, servant or employee of any such license who violates any of the provisions of this act shall be fined not less than twenty-five dollars nor more than five hundred dollars, or imprisoned for not more than thirty days, or both.

Section 13. Sections 340.010 through 340.990 of the Kentucky Revised Statutes are hereby repealed.

Section 14. This act shall become effective September 1, 1962.

HB 321, AN ACT relating to the marketing of eggs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 260.610 of the Kentucky Revised Statutes is amended to read as follows:

(1) All eggs bought or sold by or to retailers, consumers, and institutional users by licensees shall be identified according to grade and size, using USDA standards and weight classes for consumer grades, *with the following exception:*

Those retailers who sell not more than five cases of eggs per week that are purchased directly from the Kentucky producers of such eggs, may sell them to consumers as unclassified.

(2) Eggs to be offered for sale for human consumption shall be handled in such manner as to maintain and preserve the quality and grade in which they are to be offered for sale.

(3) No person shall sell, offer or expose for sale, or have in his possession for sale, for human consumption, eggs that are inedible, including eggs that are unfit for human food in whole or in part, addled or moldy, containing black rot, white rot, or blood ring, adherent yolks, or bloody whites, incubated beyond the blood ring stage, or consisting to any extent of filthy decomposed substance.

Section 2. Section 260.600 of the Kentucky Revised Statutes is amended to read as follows:

(1) A license is required of each handler of eggs located in the Commonwealth subject to the exceptions specified in KRS 260.550. The annual license fees are as follows, varying for dealers, wholesalers and processors, according to the average weekly volume of the month in which the licensee handled the most eggs during the preceding year:

(a) Retailers	$ 2.00
(b) Dealers and Wholesalers	
1- 5 cases	$ 2.00
6-25 cases	$ 5.00
26-50 cases	$10.00
51-100 cases	$15.00
More than 100 cases	$20.00
(c) Processors	
Less than 250 cases	$20.00
250-500 cases	$30.00
501-1000 cases	$40.00
More than 1000 cases	$50.00

(2) Any egg handler engaged in more than one type of activity for which a license is provided must pay that license fee which is the highest of the licenses prescribed for each type of activity in which he is engaged.

(3) All eggs bought or sold by or to any egg handler must bear a two cent inspection fee stamp for each fifteen dozen lot or portion thereof; subject to the exemptions specified in KRS 260.550 *and 260.610.*

(4) All licenses shall expire on April 1 of each year. Handlers having more than one place of business must hold a license for each place. Each application shall bear the names of the persons responsible for candling and grading eggs.

Amend printed copy of House Bill 321 on page 2, line 15, by: deleting the figure "$2.00" and inserting in lieu thereof the figure "$5.00" and on page 2 by deleting line 17 in its entirety and on page 2, line 18: by deleting the figure "6-25" and inserting in lieu thereof the figure "1-25."

HB 380, AN ACT relating to Workmen's Compensation, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 342.120 is hereby amended to read as follows:

(1) A claimant may in the original application for benefits, or either party may by motion while the case is pending, accompanied by proper allegations, and the board shall upon its own motion at any time before the rendition of the final award, cause the Subsequent Claim Fund to be made a party to the proceedings if either or both of the following appears:

(a) The employe is disabled, whether from a compensable injury, occupational disease, pre-existing disease, or otherwise, and has received a subsequent compensable injury by accident, or has developed an occupational disease;

(b) The employe is found to have a dormant non-disabling disease condition which was aroused or brought into disabling reality by reason of a subsequent compensable injury by accident or an occupational disease.

(2) When the Subsequent Claim Fund has been made a party the board shall direct the procedures provided in KRS 342.121.

(3) If it is found that the employe is a person mentioned in subsection (1) (a) or (b) and a subsequent compensable injury or occupational disease has resulted in additional permanent disability so that the degree of disability caused by the combined disabilities is greater than that which would have resulted from the subsequent injury or occupational disease alone, and the employe is entitled to receive compensation on the basis of the combined disabilities, the employer shall be liable only for the degree of disability which would have resulted from the latter injury or occupational disease had there been no pre-existing disability or dormant, but aroused diseased condition.

(4) The remaining compensation for which such resulting condition would entitle the employe, including any compensation for

disability resulting from a dormant disease aroused into disabling reality by the injury or occupational disease, but excluding all compensation which the provisions of this chapter would have afforded on account of prior disabling disease *or injury* had it been compensated thereunder, shall be paid out of the Subsequent Claim Fund provided for in subsection (1) of KRS 342.122.

(5) Upon motion, with notice to the Commissioner of Industrial Relations, and it appearing to the board that a claimant who has been awarded compensation under any one of the several provisions of this chapter becomes re-employed [by the employer against whom the award was made,] or continues in his employment in which he was injured, *during the period of such employment or re-employment the payments accruing* [any part of the award not paid at the time the claimant becomes re-employed] shall be paid out of the Subsequent Claim Fund; [or, if the claimant has continued in his employment then the whole award shall be paid from the Subsequent Claim Fund.] said unpaid portion of the award *during such period* shall be awarded against the Subsequent Claim Fund and paid by the Commissioner of Industrial Relations. [as are all other subsequent claim awards.] *Whenever the weekly payments under this section would be less than sixteen dollars ($16.00) per week the period shall be shortened and the payments correspondingly increased to that amount.* The employment or re-employment contemplated herein shall be at wages equal to or greater than the employe was receiving [before] *at the time of the* traumatic injury by accident [.] *or at the time of the last injurious exposure to the occupational diseases. Upon proper motion or by agreement of the parties the board may order a lump sum payment pursuant to KRS 342.150. The board shall, when this subsection is operative, liberally construe its provisions in favor of the employe with respect to the granting of a lump sum payment, and shall allow such lump sum payment unless it clearly appears that there will be an undue risk of overpayment. This subsection shall affect all unpaid Workmen's Compensation benefits and shall be applicable to all cases presently pending before the board.*

Section 2. KRS 342.122 is hereby amended to read as follows:

(1) "Adjusted cost" as used in this section and in Section 4 of this Act means all compensation, hospital and medical benefits paid thereunder, plus an additional factor of twelve percent of such total payments, to cover the administrative cost of the employer. "Adjusted cost" shall not include amounts paid for injuries occurring prior to the effective date of this Act.

[(1)] *(2)* In addition to the taxes and assessments imposed by KRS 342.450 and 342.475, a subsequent claim fund tax at the rate of three-fourths of one percent of the amount of premiums received shall be paid by every insurance carrier as defined in KRS 342.445, subject to the credits therein set out, and the board shall assess against the [payrolls] *"adjusted cost"* of every employer carrying his own risk a Subsequent Claim Fund Tax computed by taking three-fourths of one percent of the [basic premiums] *"adjusted cost"* determined as provided in KRS 342.475. The provisions of KRS 342.450, 342.455, 342.460, 342.465 and 342.470 shall, so far as applicable, also apply to the levy and collection of such additional tax of three-fourths of one percent of such premiums of insurance carriers.

[(2)] *(3)* All taxes and assessments imposed by subsection [(1)] *(2)* of this section shall be paid into the State Treasury and shall be credited to the Subsequent Claim Fund for the board, which fund shall be used only for the payment of awards of compensation made by the board and chargeable against said fund, expenses of legal representation thereof, fees and expenses of the physicians in connection therewith, and shall be withdrawn for that purpose under the supervision of the Commissioner of Industrial Relations.

[(3)] *(4)* Any sum remaining in the Subsequent Claim Fund to the credit of the Workmen's Compensation Board at the end of any fiscal year shall be set up by the Department of Finance to the credit of the board in such fund for the next ensuing fiscal year.

[(4)] *(5)* If the amount to the credit of the Subsequent Claim Fund as of June 30 of any year exceeds $200,000, the tax of three-fourths of one percent upon insurance premiums provided for under subsection [(1)] *(2)* of this section and the three-fourths of one percent assessment upon employers carrying their own risk provided for under subsection [(1)] *(2)* of this section shall not be assessed or collected during the ensuing year.

[(5)] *(6)* If the Commissioner of Industrial Relations finds that the subsequent claim fund tax levied pursuant to this section is insufficient to pay such claims awarded under the Subsequent Claim Fund provisions, then he may levy an additional assessment against all insurance companies writing Workmen's Compensation insurance in Kentucky, including every employer carrying his own risk, for an amount not to exceed $100,000. The amount of each insurance company's assessment shall be in *the* proportion that each company's annual Workmen's Compensation premium writings in Kentucky bears to the total of all annual Workmen's Compensation premiums written in Kentucky. Such assessment will be based upon information contained in the insurance company's last filed annual statement with the Department of Insurance. Such assessments against every employer carrying his own risk will be based upon [what the premium would have been were the coverage carried with insurance companies] *that proportion which the "adjusted cost" of such own risk carrier bears to the total "adjusted cost" of all such own risk carriers.* [Payroll information filed with the Department of Industrial Relations]

"Adjusted cost" reports filed with the board in accordance with KRS 342.475 will be the basis of such determination. *Such additional assessment against insurance companies and employers carrying their own risk shall be apportioned between the two classes as the total of premiums and the total of "adjusted cost" each bears to the combined total.*

[(6)] *(7)* The fund heretofore designated as the Subsequent Injury Fund is abolished and there is substituted therefor the Subsequent Claim Fund as herein set out and all monies and properties owned by the Subsequent Injury Fund are transferred to the Subsequent Claim Fund.

Section 3. KRS 342.316 is hereby amended to read as follows:

(1) "Occupational Disease" as used in this chapter means a disease arising out of and in the course of the employment. Ordinary diseases of life to which the general public is equally exposed outside of the employment shall not be compensable, except where such diseases follow as an incident of an occupational disease as defined in this section.

(a) A disease shall be deemed to arise out of the employment only if there is apparent to the rational mind, upon consideration of all the circumstances, a direct casual connection between the conditions under which the work is performed and the occupational disease, and which can be seen to have followed as a natural incident to the work as a result of the exposure occasioned by the nature of the employment and which can be fairly traced to the employment as the proximate cause, and which does not come from a hazard to which workmen would have been equally exposed outside of the employment. The disease shall be incidental to the character of the business and not independent of the relationship of employer and employe. The disease need not have been forseen or expected but, after its contraction, it must appear to have had its origin in a risk connected with the employment and to have flowed from that source as a rational consequence.

(b) "Injurious exposure" as used in this section shall mean that exposure to occupational hazard which would, independently of any other cause whatsoever, produce or cause the disease for which claim is made.

(2) The procedure with respect to the giving of notice [of disability or death] and as to the filing of claims and determination thereof in occupational disease cases and the compensation and medical benefits payable for disability or death due to such disease shall be the same as in cases of accidental injury or death under the general provisions of this chapter, except that notice [of disability] *of claim* shall be given to the employer as soon as practicable after the employe first experiences a distinct manifestation of an occupational

disease in the form of symptoms reasonably sufficient to apprise him that he has contracted such disease, or a diagnosis of such disease is first communicated to him, whichever shall first occur.

(3) The right to compensation under this chapter for disability resulting from an occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within one year after the last injurious exposure to the occupational hazard or after the employe first experiences a distinct manifestation of an occupational disease in the form of symptoms reasonably sufficient to apprise him that he has contracted the disease, whichever shall last occur; and if death results from the occupational disease within said period, unless a claim therefor be filed with the Workmen's Compensation Board within one year after such death; provided, however, that notice of such claim shall be deemed waived in case of disability or death where the employer, or his insurance carrier, voluntarily makes payment therefor, or, if the incurrence of the disease or the death of the employe, and its cause was known to the employer [.]; *provided, however, that the right to compensation for any occupational disease shall be forever barred unless a claim is filed with the Workmen's Compensation Board within five years from the last injurious exposure to the occupational hazard.*

(4) In claims for compensation due to the occupational disease of silicosis *or any other compensable pneumoconiosis* it must be shown that the employe was exposed to the hazards of the disease in his employment within this state for at least two years immediately next before his disability or death.

(5) The amount of compensation payable for disability due to occupational disease or for death from such disease, and the time and manner of its payment, shall be the same as provided for accidental injury or death under the general provisions of the Workmen's Compensation Act, but in no event to exceed such amounts *as were in effect at the time of the last injurious exposure,* and, provided further, that the time of the beginning of compensation payments shall be the date of the employe's last injurious exposure to the cause of the disease, or the date of actual disability, whichever is later, and provided further, that in case of death where the employe has been awarded compensation or made timely claim within the period provided for in this section, an employe has suffered continuous disability to the date of his death occurring at any time within ten years from the date of disability, his dependents, if any, shall be awarded compensation for his death as provided for under the general provisions of the Workmen's Compensation Act and in this section.

(6) In case of disability or death from silicosis, *or any other compensable pneumoconiosis,* [an occupational disease,] complicated with tuberculosis of the lungs, compensation shall be payable as for

the uncomplicated [silicosis] disease, provided, however, that [silicosis] *the disease* was an essential factor in causing such disability or death.

(7) If an autopsy has been performed, no testimony relative thereto shall be competent unless the employer or his representative and a representative of the deceased employe shall have participated therein or been given reasonable opportunity to do so.

(8) No compensation shall be payable for occupational disease if the employe at the time of entering the employment of the employer by whom compensation would otherwise be payable, falsely represented himself, in writing, as not having been previously disabled, laid off, or compensated in damages or otherwise, because of such disease, or failed or omitted truthfully to state to the best of his knowledge, in answer to written inquiry made by the employer, the place, duration and nature of previous employment, or, to the best of his knowledge, the previous state of his health.

(9) Where an occupational disease is aggravated by other disease or infirmity not itself compensable or where disability or death from any other cause not itself compensable, is aggravated, prolonged, accelerated or in anywise contributed to by occupational disease the compensation payable shall be reduced and limited to such proportion only of the compensation that would be payable if occupational disease were the sole cause of the disability or death as such occupational disease, as a causative factor, bears to all causes of such disability or death, such reduction in compensation to be affected by reducing the number of weekly or monthly payments or the amount of such payments as under the circumstances of the particular case may be for the best interests of the claimant or claimants.

(10) No compensation for death from occupational disease shall be payable to any person whose relationship to the deceased, which, under the provisions of this chapter would give right to compensation, arose, subsequent to the beginning of the first compensable disability, save only to after-born children of a marriage existing at the beginning of such disability.

(11) Whenever any claimant misconceives his remedy and files an application for adjustment of claim under the general provisions of this chapter and it is subsequently discovered, at any time before the final disposition of such cause, that the claim for injury, disability or death which was the basis for such application should properly have been made under the provisions of this section, then the application so filed may be amended in form or substance, or both, to assert a claim for such injury, disability or death under the provisions of this section, and it shall be deemed to have been so filed as amended on the date of the original filing thereof, and such compensation may be awarded as is warranted by the whole evidence

pursuant to the provisions of this chapter. When such amendment is submitted, further or additional evidence may be heard by the board when deemed necessary. Nothing this section contains shall be construed to be or permit a waiver of any of the provisions of this chapter with reference to notice of time for filing of a claim, but notice of filing a claim, if given or done, shall be deemed to be a notice of filing of a claim under provisions of this chapter, if given or done within the time required herein.

(12) When an employe has an occupational disease that is covered by this chapter, the employer in whose employment he was last injuriously exposed to the hazard of the disease, and the employer's insurance carrier, if any, at the time of the exposure, shall alone be liable therefor, without right to contribution from any prior employer or insurance carrier [.]; *except as otherwise provided herein.*

(13) (a) The employer liable for compensation for occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, shall be the employer in whose employment the employe was last exposed to the hazard of such occupational disease during a period of six months or more. In those cases where disability or death are not conclusively proven to be the result of such last exposure all compensation shall be paid out of the Subsequent Claim Fund. In all other cases of occupational diseases, other than silicosis or any other compensable pneumoconiosis, which developed to the point of disablement only after an exposure of five or more years, or for silicosis and any other compensable pneumoconiosis, the compensation for disability or death due to such diseases shall be paid jointly by the employer and the Subsequent Claim Fund, and the employer shall be liable for sixty percent of the compensation due and the Subsequent Claim Fund shall be liable for forty percent of the compensation due.

(b) In all claims for compensation partially payable by the Subsequent Claim Fund the Commissioner of Industrial Relations, as custodian of said Fund, shall be designated as a co-defendant.

(c) In all agreements for the payment of compensation and awards the amount payable by the employer and the amount payable out of the Subsequent Claim Fund shall be separately stated. An award against the employer shall be for only the percentage of the total compensation which the employer is obligated to pay. A separate award shall be made against the Subsequent Claim Fund for the balance of the compensation payable. Nothing in this section shall prohibit the Commissioner of Industrial Relations, as custodian of the Subsequent Claim Fund, from entering into agreements to pay the compensation for which it is liable; provided, however, that where compensation is payable by both the employer and the Sub-

sequent Claim Fund, the Commissioner shall not enter into an agreement unless the employer is a party to the agreement.

Section 4. Section 342.475 of the Kentucky Revised Statutes is hereby amended to read as follows:

Every employer carrying his own risk under KRS 342.340 shall, under oath, report to the board his [payroll subject to this chapter.] *"adjusted cost" of operating under the provisions of this Chapter during the period covered by such report.* Such report shall be made in form prescribed by the board and at the time provided for premium reports by [insurer.] *the insurance carriers.* The board shall assess against such [payroll a maintenance fund tax computed by taking two percent of the basic premiums chargeable against it or most similar industry or business, taken from the manual insurance rates for compensation then in force in this state.] *"adjusted costs" so reported a maintenance fund tax of two percent.*

Section 5. Whereas, existing provisions of the Workmen's Compensation Act relating to occupational diseases produce an inequitable result which is seriously threatening the financial stability of certain industries in the Commonwealth and contributing to unemployment, an emergency is hereby declared to exist and this Act shall become effective upon its passage and approval by the Governor.

SB 239, AN ACT relating to pharmacies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise:

(1) "Board" means the Kentucky Board of Pharmacy.

(2) "Prescription drug" means a drug intended for the use of a person, which is dispensed only upon the prescription of a practitioner licensed by law to prescribe such drug.

Section 2. From and after July 1, 1962, it shall be unlawful for any person, firm, or corporation to operate a pharmacy without first securing from the board a license as hereinafter provided, for each separate place in which said business is to be carried on.

Section 3. Application for such license shall be in writing on forms prescribed and furnished by the board and shall be accompanied by the payment of a fee as set by the board of not more than twenty-five dollars per year. Applications for a license to open a new pharmacy shall be made at least thirty days before the pharmacy is to be opened for business. The board shall act on the application during this period.

Section 4. (1) Separate applications shall be made and separate licenses issued for each separate place at which is carried on any of the operations for which a license is required under this Act. In the event that a licensee sells or transfers a licensed pharmacy, the purchaser or transferee shall apply for a license in the manner as set out in this Act. The purchaser or transferee may operate the purchased or transferred pharmacy under the license of the seller or the transferor pending the issuance of his license until the board acts on his application for the license if he notifies the board in writing at least five days prior to the sale or transfer of the pharmacy. Each license issued under this Act shall be conspicuously displayed to the general public adjacent to the prescription department.

(2) If a corporation or partnership holds a license under this section and is dissolved or if a receiver, assignee for the benefit of creditors or a committee for the property of a licensee under this section is appointed during the time for which a license was granted or if a licensee dies during the time for which a license was issued and a personal representative is appointed for his estate, that corporation, partnership, receiver, assignee, or the personal representative of the estate of the deceased or individual adjudged to be incompetent shall be permitted to continue the business under the existing license for the balance of the term for which the license is effective with the same rights and subject to the same restrictions and liabilities as if he had held the original license. The license may be renewed for such holders so long as the place of business is operated according to the drug laws of this state and the regulations as set out by the board.

Section 5. (1) The board may after written notice and after a hearing as prescribed in subsections (2) and (3) of this section, revoke or suspend a license or may deny an application for a license for the following reasons:

(a) Fraud in procuring or applying for a license;

(b) Conviction of an offense where a penalty or fine has been invoked for violation of the Federal Food, Drug, and Cosmetic Act by the licensee or his agents or employees. A plea or verdict of guilty or a conviction following a plea of nolo contendere is deemed to be a conviction within the meaning of this section;

(c) Wilful or repeated violation of the public health laws of Kentucky by the licensee or his agents and employees;

(d) Use of untrue or misleading statements or untrue or misleading advertising pertaining to the medicinal and pharmaceutical products sold or offered for sale in the licensed premises or premises proposed to be licensed, by the licensee or his agents or employees;

(e) Advertising a prescription drug to the public;

(f) Substitution of a drug or substance other than the drug or brand ordered by the prescription of a physician, veterinarian or other person authorized to administer or professionally use drugs and to write prescriptions therefor;

(g) Conviction of the licensee of a crime involving moral turpitude. A plea or verdict of guilty, or conviction following a plea of nolo contendere, is deemed to be a conviction within the meaning of this section;

(h) Failure of the licensee to comply fully with the provisions of the pharmacy laws of Kentucky or conducting the licensed premises so as to adversely effect the public health, welfare, and morals; or

(i) Failure of the licensee to keep in a clean and orderly manner the premises for which an application for license is made, or premises for which a license is held.

Section 6. (1) The board and its duly appointed agents may inspect in a lawful manner the drugs that are manufactured, packed, packaged, sold, offered for sale, exposed for sale or kept for sale in this state, and for this purpose may enter and inspect, during business hours, any place in this state where drugs are manufactured, packed, packaged, made, sold, offered for sale, exposed for sale, dispensed or kept for sale.

(2) The board may on its own motion issue written notice to any licensee to show cause why his license should not be suspended or revoked or may issue written notice to any applicant for a license to show cause why his application for a license should not be denied. The notice shall contain a copy of the charge and shall state the time and place at which the hearing is to be conducted. The date of the hearing shall not be less than ten days from the date the notice is received by the applicant or licensee.

(3) Members of the board and its secretary may administer oaths and take evidence in any hearing conducted by the board. The board shall at all hearings receive the testimony of all witnesses and accept all documentary evidence relative to the issue. The person, firm, or corporation to whom notice is issued, may appear at the hearing either personally or by counsel with the right to produce witnesses and evidence in his own behalf, may cross-examine witnesses, may examine the evidence as may be presented against him, and may have subpoenas issued by the board. At the conclusion of the hearing, if by a majority vote the board shall determine that the accused is guilty of a violation complained of, the board shall proceed to revoke, suspend, or deny the license of the accused applicant or licensee, or shall have the power to levy a fine which shall not exceed the sum of $500.00 for each violation of any law of the state of Kentucky relating to the operation of a pharmacy.

Section 7. (1) Any person having an interest in the matter may within thirty days of the effective date of the order of the board appeal from any order of the board denying, revoking, or suspending a license or levying a fine by filing a complaint in the circuit court in which the pharmacy for which the license is sought, or for which a license is held, is located, along with a certified copy of the order of the board. The complaint shall state fully the ground upon which review is sought, assign all errors relied on, and shall be verified by the appellant. The hearing shall be de novo and shall be determined by the circuit court judge and an appeal may be taken from the decision of the circuit court to the Court of Appeals of Kentucky.

(2) An appeal from a decision of the board or the circuit court shall stay all action by all parties of record in the hearing before the board.

(3) Summons issued as a result of the appeal from the board may be served on any member of the board or a secretary designated by the board, and service on any one member or on the secretary shall be deemed as service on all members.

Section 8. The board may, in addition to the criminal penalty prescribed for violating this Act, apply to the circuit court in which the pharmacy is located for an injunction to restrain repetitious violations of the provisions of this Act.

Section 9. Any person who operates a pharmacy without a license as set out in this Act shall upon conviction be fined not less than $100.00 nor more than $500.00 or shall be imprisoned in the county jail for not more than 90 days, or both, for each violation of this Act and each day the violation continues shall constitute a separate and distinct offense.

Section 10. All fees collected under this Act either in the form of license fees or fines shall be paid into the State Treasury and placed in an agency fund to be spent by the board for the enforcement of this Act. The board may employ such investigators, chemists, agents, or other assistants as it deems necessary to carry out the provisions of this Act.

Section 11. Nothing in this Act shall interfere with the professional activities of any licensed practicing physician, or prevent him from keeping any drug or medicine that he may need in his practice, from compounding his own prescriptions, or from supplying to his patients any article that seems to him proper.

Section 12. Any place, whether branch, agency or affiliate where prescriptions are solicited or advertised or the routine collection, acceptance, or delivery of prescriptions is made shall be deemed a place at which pharmaceutical services are provided and a separate place for which a license is required under this Act. All such places shall comply fully with the requirements of this Act and the pharmacy laws of Kentucky.

Section 13. The board is hereby authorized to make such rules and regulations as are deemed necessary to carry out the intent and purpose of this Act.

SB 262, AN ACT relating to urban renewal and redevelopment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act:

(1) "Educational institution of higher learning" means an educational institution, no part of the net earnings of which inure to the benefit of any private shareholder or individual, which provides an educational program for which it awards a baccalaureate or more advanced degree, or provides for not less than a two year program which is acceptable for full credit towards such a degree, and is accredited by a national accrediting agency or association or, if not so accredited, an educational institution whose credits are accepted, on transfer, by not less than three such accredited educational institutions for credit on the same basis as if transferred from an educational institution so accredited;

(2) "Private educational redevelopment corporation" means any corporation which is wholly owned or controlled by one or more educational institutions of higher learning or a corporation which operates in behalf of an educational institution of higher learning on a non-profit basis;

(3) "Project area" means a slum area or a blighted, deteriorated or deteriorating area;

(4) "Development plan" means a plan for redevelopment or renewal of a project area, which plan

(a) conforms to the general or master plan for the community as a whole, and

(b) conforms to the requirements of subsection (2) of KRS 99.370 and KRS 99.450 with respect to the contents of development plans and urban renewal plans.

Section 2. The council of any community which pursuant to KRS 99.330 to 99.590 is authorized, directly or through its agency, to undertake and carry out redevelopment or urban renewal projects may approve, after a public hearing by the council or its agency pursuant to subsection (3) of KRS 99.370, a development plan proposed by any educational institution of higher learning located in such community, or by a private educational redevelopment corporation, for the redevelopment and renewal of a project area adjacent to or in the immediate vicinity of (1) the location of principal buildings of such institution, or a major branch of such institution, where teaching or research is done or where students or faculty live, and (2) the area of an urban renewal project which is being undertaken by such community or its agency. Any state educational institution of higher learning or private educational redevelopment corporation may prepare such development plans. The council of any community may authorize any educational institution of higher learning established and maintained by such community to prepare such development plans.

Section 3. If the council of a community approves a development plan for a project area, such council and its agency may corporate with the educational institution of higher learning or private educational redevelopment corporation in carrying out such approved development plan, and, for such purpose, may contract with such educational institution or private educational redevelopment corporation for the exercise of any of the powers of such community and its agency. Any community or its agency, and any state educational institution of higher learning (and, when so authorized by such community, any educational institution of higher learning established and maintained by any community), may do all things, and may take such actions, as may be necessary or desirable to assure that it obtains a credit as a local grant-in-aid for the aggregate amount of expenditures made by any such educational institution or private educational redevelopment corporation which would be eligible as such under Title I of the Housing Act of 1949, as amended.

HB 239, AN ACT relating to Veterans Guardianship.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 1 of KRS 388.300 is amended to read as follows:

Compensation payable to guardians or committees shall not exceed five percent of the income of the ward during any year, *but in no event shall the amount of such compensation be less than fifty dollars for each year.* In the event of extraordinary services rendered by any guardian or committee, the court may, upon petition and after notice to the Veterans Administration and hearing thereon, authorize reasonable additional compensation therefor payable from the estate of the ward. Notice of such petition and hearing shall be given to the proper office of the Veterans Administration in the manner provided in KRS 388.280. No commission or compensation shall be allowed on the estate received from a preceding guardian.

SB 323, AN ACT relating to civil defense.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 39.401 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Civil Defense" means the preparation for and the carrying out of all emergency functions, other than functions for which military forces or other Federal agencies are primarily responsible, to prevent, minimize and repair injury and damage resulting from disasters caused by enemy attack, sabotage, or other hostile action, or by fire, flood or other causes. These functions include, without limitation, fire fighting services, police services, medical and health services, rescue, engineering, air raid warning services, communications, radiological, chemical and other special weapons of defense, evacuation of persons from stricken areas, emergency welfare services, emergency transportation, plant protection, temporary restoration of public utility services, and other functions related to civilian protection, together with all other activities necessary or incidental to the preparation for and carrying out of the foregoing functions;

(2) "Civil Defense Agency" means the [Division of Civil Defense of the] Department of Military Affairs.

[(3) "Director" means the director of the Division of Civil Defense of the Department of Military Affairs;]

[(4) "Council" means the Civil Defense Advisory Council.]

Section 2. Section 39.406 of the Kentucky Revised Statutes is amended to read as follows:

There is hereby created *within the Department of Military Affairs a Public* [Civil] Defense Advisory Council to be composed of not less than twelve nor more than *twenty-five* [twenty] members to be appointed by the Governor. The members shall serve without compensation but they may be reimbursed for reasonable and necessary expenses incurred in the performance of their duties. The council, *for which the Governor shall appoint a chairman,* [of which the Governor shall be chairman] shall advise the Governor and the *Adjutant General* [director] on [all matters pertaining to] civil defense, *military affairs, planning for emergencies, and related matters.*

Section 3. Section 39.409 of the Kentucky Revised Statutes is amended to read as follows:

In the event of actual enemy attack against the United States, the Governor [with the advice and consent of the council,] may declare that a state of emergency exists, and thereafter the Governor shall have and may exercise for such period as such state of emergency exists or continues, the following additional emergency powers:

(1) To enforce all laws, rules, and regulations relating to civil defense and to assume direct operational control of all civil defense forces and helpers in the state;

(2) To seize, take, or condemn property for the protection of the public or at the request of the President, the Armed Forces or the civil defense agency of the United States, including:

(a) All means of transportation and communication;

(b) All stocks of fuel of whatever nature;

(c) Food, clothing, equipment, materials, medicines, and all supplies; and

(d) Facilities, including buildings and plants;

(3) To sell, lend, give, or distribute all or any such property among the inhabitants of the state and to account to the State Treasurer for any funds received for such property;

(4) To make compensation for the property so seized, taken, or condemned;

(5) To perform and exercise such other functions, powers, and duties as may be deemed necessary to promote and secure the safety and protection of the civilian population.

Section 4. Sections 39.402, 39.403, 39.404, 39.405, 39.407, 39.420, 39.421, and 39.422 of the Kentucky Revised Statutes are repealed.

SB 324, AN ACT relating to Atomic Energy.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is the policy of the Commonwealth of Kentucky in furtherance of its responsibility to protect the public health and safety:

(1) to institute and maintain a regulatory program for sources of ionizing radiation so as to provide for (a) compatibility with the standards and regulatory programs of the federal government; (b) an integrated effective system of regulation within the state; and (c) a system consonant insofar as possible with those of other states; and

(2) to institute and maintain a program to permit development and utilization of sources of ionizing radiation for peaceful purposes consistent with the health and safety of the public.

Section 2. In enacting this legislation, it is the intention of the General Assembly to effectuate the policies set forth in Section 1 of this Act by providing for:

(1) a program of effective regulation of sources of ionizing radiation for the protection of the public health and safety;

(2) a program to promote an orderly regulatory pattern within the state, among the states and between the federal government and the state, and facilitate intergovernmental cooperation with respect to use and regulation of sources of ionizing radiation to the end that duplication of regulation may be minimized;

(3) a program to establish procedures for assumption and performance of certain regulatory responsibilities with respect to byproduct, source and special nuclear materials; and

(4) a program to permit maximum utilization of sources of ionizing radiation consistent with the health and safety of the public.

Section 3. As used in this Act, unless the context otherwise requires:

(1) "Byproduct material" means any radioactive material, except special nuclear material, yielded in or made radioactive by exposure to the radiation incident to the process of producing or utilizing special nuclear material;

(2) "Ionizing radiation" means gamma rays and X-rays, alpha and beta particles, high-speed electrons, neutrons, protons, and other nuclear particles, but not sound or radio waves, or visible, infrared, or ultraviolet light;

(3) "General license" means a license effective pursuant to regulations promulgated by the Kentucky State Department of Health without the filing of an application to transfer, acquire, own, possess or use quantities of, or devices or equipment utilizing byproduct, source, special nuclear materials, or other radioactive material occurring naturally or produced artificially;

(4) "Specific license" means a license, issued after application, to use, manufacture, produce, transfer, receive, acquire, own, or possess, quantities of, or devices or equipment utilizing by-product, source, special nuclear materials, or other radioactive material occurring naturally or produced artificially.

(5) "Person" means any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, agency, political subdivision of this state, any other state or political subdivision or agency thereof, and any legal successor, representative, agent, or agency of the foregoing, other than the United States Atomic Energy Commission, or any successor thereto, and other than federal government agencies licensed by the United States Atomic Energy Commission, or any successor thereto;

(6) "Source material" means (a) uranium, thorium, or any other material which the Governor declares by order to be source material after the United States Atomic Energy Commission, or any successor thereto, has determined the material to be such; or (b) ores containing one or more of the foregoing materials, in such concentration as the Governor declared by order to be source material after the United States Atomic Energy Commission, or any successor thereto, has determined the material in such concentration to be source material;

(7) "Special nuclear material" means (a) plutonium, uranium 233, uranium enriched in the isotope 233 or in the isotope 235, and

any other material which the Governor declares by order to be special nuclear material after the United States Atomic Energy Commission, or any successor thereto, has determined the material to be such, but does not include source material; or (b) any material artificially enriched by any one of the foregoing, but does not include source material;

(8) "Department" means the Kentucky State Department of Health.

Section 4. (1) The Executive Director of the Kentucky Atomic Energy Authority shall also serve as Coordinator of Atomic Activities in order:

(a) to advise the Governor and agencies of the state on matters relating to ionizing radiation;

(b) to coordinate development and regulatory activities of the state relating to ionizing radiation, including cooperation with other states and the federal government.

(2) The Coordinator shall:

(a) Review, before and after the holding of any public hearing required under the provisions of this Act prior to promulgation, the proposed rules and regulations of all agencies of the state relating to use and control of ionizing radiation, to assure that such rules and regulations are consistent with rules and regulations of other agencies of the state. Proposed rules and regulations shall not be effective until ninety days after submission to the Coordinator, unless either the Governor or the Coordinator waives all or part of such ninety day period;

(b) When he determines that proposed rules or regulations or parts thereof are inconsistent with rules and regulations of other agencies of the state, consult with the Kentucky Advisory Committee on Nuclear Energy in an effort to resolve such inconsistency. Upon notification by the Committee that such inconsistency has not been resolved the Governor may, after consultation with the Committee, find that the proposed rules and regulations or parts thereof are inconsistent with rules and regulations of other agencies of the state and may issue an order to that effect in which event the proposed rules and regulations or parts thereof shall not become effective. The Governor may, in the alternative, upon a similar determination, direct the appropriate agency to amend or repeal existing rules and regulations to achieve consistency with the proposed rules and regulations;

(c) Advise, consult, and cooperate with other agencies of the state, the federal government, other states and interstate agencies, political subdivisions, and with groups concerned with control of ionizing radiation;

(d) Collect and disseminate information relating to ionizing radiation; and

(e) Based upon current information provided by agencies of the state:

(i) Maintain a file of all license applications, issuances, denials, amendments, transfers, renewals, modifications, suspensions and revocations;

(ii) Maintain a file of registrants possessing sources of ionizing radiation requiring registration under the provisions of this Act and any administrative or judicial action, pertaining thereto; and

(iii) Maintain a file of all rules and regulations relating to regulation of sources of ionizing radiation, pending or promulgated, and proceedings thereon.

(3) The several agencies of the state and political subdivisions shall keep the Coordinator fully and currently informed as to their activities relating to development and regulation of sources of ionizing radiation.

Section 5. (1) There shall be a committee, to be known as the Kentucky Advisory Committee on Nuclear Energy, to advise the Governor on atomic energy developments and regulations, within the Commonwealth, and to perform other functions as set forth in this Act. The committee shall consist of not more than seventeen members and shall include persons from private life and representatives of state governmental activities concerned with atomic energy as determined by the Governor. The Governor shall appoint the members of the committee and its chairman. All members shall be residents of the Commonwealth and shall serve at the pleasure of the Governor.

(2) The Coordinator of Atomic Activities shall be ex officio the executive secretary of the committee, and shall provide administrative services for accomplishing the adopted directive of the committee.

(3) The members of the committee shall receive no salary for services performed on such committee, but may be reimbursed for necessary and actual travel expenses incurred in connection with attendance at official meetings of the committee or subcommittees thereof.

(4) The committee shall:

(a) Review and evaluate policies and programs of the state relating to ionizing radiation;

(b) Make recommendations to the Governor and Coordinator and furnish such technical advice as may be required on matters relating to development, utilization and regulations of sources of ionizing radiation;

(c) Make an annual report to the Governor; and

(d) Render advice to the Coordinator and the Governor as required by Section 4 (2) (b) of this Act.

Section 6. (1) The Kentucky State Department of Health shall provide by rule or regulation for general or specific licensing of by-product, source, special nuclear materials, or devices or equipment utilizing such materials. Such rule or regulation shall provide for amendment, suspension or revocation of licenses. Such rule or regulation shall provide that:

(a) Each application for a specific license shall be in writing and shall state such information as the department by rule or regulation, may determine to be necessary to decide the technical, insurance and financial qualifications or any other qualification of the applicant as the department may deem reasonable and necessary to protect the public health and safety. The department may at any time after the filing of the application, and before the expiration of the license, require further written statements and may make such inspections as the department may deem necessary in order to determine whether the license should be granted or denied or whether the license should be modified, suspended or revoked. All applications and statements shall be signed by the applicant or licensee. The department may require any applications or statements to be made under oath or affirmation;

(b) Each license shall be in such form and contain such terms and conditions as the department may by rule or regulation prescribe;

(c) No license issued under the authority of this Act and no right to possess or utilize sources of ionizing radiation granted by any license shall be assigned or in any manner disposed of; and

(d) The terms and conditions of all licenses shall be subject to amendment, revision, or modification by rules, regulations or orders issued in accordance with the provisions of this Act.

(2) The department is authorized to require registration licensing of other sources of ionizing radiation.

(3) The department is authorized to exempt certain sources of ionizing radiation or kinds of uses or users from the licensing or registration requirements set forth in this section when the department makes a finding that the exemption of such sources of ionizing radiation or kinds of uses or users will not constitute a significant risk to the health and safety of the public.

(4) Rules and regulations promulgated pursuant to this Act may provide for recognition of other state or federal licenses as the department shall deem desirable, subject to such registration requirements as the department may prescribe.

Section 7. The department or its duly authorized representative shall have the power to enter at all reasonable times upon any private or public property for the purpose of determining whether or not there is compliance with or violation of the provisions of this Act and rules and regulations issued thereunder, except that entry into areas under the jurisdiction of the federal government shall be effected only with the concurrence of the federal government or its duly authorized representative.

Section 8. (1) The department shall require each person who possesses or uses a source of ionizing radiation to maintain records relating to its receipt, storage, transfer or disposal and such other records as the department may require subject to such exemptions as may be provided by rules or regulations.

(2) The department shall require each person who possesses or uses a source of ionizing radiation to maintain appropriate records showing the radiation exposure of all individuals for whom personnel monitoring is required by rules and regulations of the department. Copies of these records and those required to be kept by subsection (1) of this section shall be submitted to the department on request. Any person possessing or using a source of ionizing radiation shall furnish to each employee for whom personnel monitoring is required a copy of such employee's personal exposure record annually, at any time such employee has received excessive exposure, and upon termination of employment.

Section 9. (1) The Governor, on behalf of this state, is authorized to enter into agreements with the federal government providing for discontinuance of certain of the federal government's responsibilities with respect to sources of ionizing radiation and the assumption thereof by this state.

(2) Any person who, on the effective date of an agreement under subsection (1) of this section, possesses a license issued by the federal government shall be deemed to possess the same pursuant to a license issued under this Act, which shall expire either ninety days after receipt from the department of a notice of expiration of such license, or on the date of expiration specified in the federal license, whichever is earlier.

Section 10. (1) The department and the Kentucky Atomic Energy Authority are authorized to enter into, subject to the approval of the Governor, an agreement or agreements with the federal government, other states or interstate agencies, whereby this state will perform on a cooperative basis with the federal government, other states or interstate agencies, inspections or other functions relating to control of sources of ionizing radiation.

(2) The Department or the Kentucky Atomic Energy Authority may institute training programs for the purpose of qualifying personnel to carry out the provisions of this Act, and may make said personnel available for participation in any program or programs of the federal government, other states or interstate agencies in furtherance of the purposes of this Act.

Section 11. Ordinances, resolutions or regulations, now or hereafter in effect, of the governing body of a municipality or county or board of health relating to by-product, source and special nuclear materials shall not be superseded by this Act; provided, however, such ordinances or regulations are and continue to be consistent with the provisions of this Act, amendments thereto and rules and regulations thereunder.

Section 12. (1) In any proceeding under this Act:

(a) for the issuance or modification of rules and regulations relating to control of sources of ionizing radiation; or

(b) for granting, suspending, revoking, or amending any license; or

(c) for determining compliance with or granting exceptions from rules and regulations of the department, said department shall afford an opportunity for a hearing on the record upon the request of any person whose interest may be affected by the proceeding, and shall admit any such person as a party to such proceeding.

(2) Whenever the department finds that an emergency exists requiring immediate action to protect the public health and safety, said department may, without notice or hearing, issue a regulation or order reciting the existence of such emergency and requiring that such action be taken as is necessary to meet the emergency. Notwithstanding any provision of this Act, such regulation or order shall be effective immediately. Any person to whom such regulation or order is directed shall comply therewith immediately, but on application to the department shall be afforded a hearing within thirty days. On the basis of such hearing, the emergency regulation or order shall be continued, modified or revoked within thirty days after such hearing.

(3) Any final order entered in any proceeding under subsections (1) and (2) of this section shall be subject to judicial review by the Franklin Circuit Court.

Section 13. Whenever, in the judgment of the department, any person has engaged in or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this Act, or any rule, regulation or order issued thereunder, the Attorney General may make application to the Franklin Circuit Court for an order in the nature of an injunction enjoining such acts or practices, or for an order directing compliance with the order of the department. In any such action any order of the department shall be prima facie evidence of the fact or facts found therein.

Section 14. It shall be unlawful for any person to use, manufacture, produce, transport, transfer, receive, acquire, own or possess any source of ionizing radiation unless licensed by or registered with the department in accordance with the provisions of this Act.

Section 15. The department shall have the authority in the event of an emergency to impound or order the impounding of sources of ionizing radiation, in the possession of any person who is not equipped to observe or fails to observe the provisions of this Act or any rules or regulations issued thereunder.

Section 16. Any person who wilfully violates any of the provisions of this Act, or any rule or regulation of a state department or agency as provided in this Act, shall upon conviction thereof, be fined not less than one hundred dollars nor more than five thousand dollars, or imprisoned in the county jail not less than ten days nor more than six months, or both fined and imprisoned.

Section 17. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

Section 18. Sections 152.105 through 152.190 of the Kentucky Revised Statutes are repealed.

Section 19. The provisions of this Act relating to the control of by-product, source and special nuclear materials shall become effective on the effective date of the agreement between the federal government and this state as provided in Section 9 of this Act.

SB 325, AN ACT relating to occupational taxes in cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The legislative boards or councils of the cities of this Commonwealth are hereby severally authorized by ordinances applying to occupations generally to impose occupational taxes upon all state employees and officers whether appointive or elective, for services performed therein, except those elected officers who are paid on a per diem basis.

Section 2. Except as provided in Section 1 of this Act, no person shall be relieved from liability for any occupational license tax levied for revenue purposes by any legislative board or council of a city of this Commonwealth by reason of his carrying on his occupation or performing services on any state property or area within the bounds of such city.

Section 3. All laws and parts of laws in conflict with the provisions of this Act are hereby repealed.

SB 326, AN ACT relating to atomic energy and projects related thereto; making an appropriation; and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (a) The statement of the public policy of the Commonwealth relative to participation in the development and utilization of atomic energy for peaceful purposes to the maximum extent consistent with the common defense and security and with the health and safety of the public, as enacted in Chapter 146, 1958 Acts of the General Assembly, and later amendatory Acts, is hereby re-affirmed; and this Act is declared to be supplemental thereto rather than in derogation thereof.

(b) In recognition of changed and changing conditions in the expansion, growth and development of utilization of atomic energy and by-products thereof, for peaceful purposes in medicine, generation of power, commerce, industry, and other fields of increasing number, it is declared that such public policy of the Commonwealth now requires implementation in such manner as will enable the Commonwealth to discharge new responsibilities in licensing and safeguarding the storage, use, processing and reprocessing of radioactive materials, and in providing for permanent burial or other disposal of radioactive materials, and to develop new opportunities in the promotion and advancement of uses of atomic energy by encouraging and assisting the establishment or location of industrial plants in the Commonwealth (subject to proper protection of the public health and safety) thus promoting the general welfare by providing new opportunities for gainful employment.

Section 2. It is the purpose of this Act to implement the public policy of the Commonwealth as set forth in *Section 1* hereof, by creating The Kentucky Atomic Energy Authority, a corporate agency and instrumentality of the Commonwealth, to act in the establishment of certain facilities which must necessarily be owned and controlled by a sovereign state, and to provide sites suitable for the establishment and development of facilities by governmental bodies and private enterprise, to finance or provide financial assistance in connection therewith, to determine the location and use thereof, and to assist in the coordination of activities and functions of departments, commissions and other agencies and instrumentalities of the Commonwealth having lawful control or responsibilities in various aspects of the whole subject of atomic energy and the uses thereof.

Section 3. As hereinafter used, unless the context clearly indicates otherwise:

(1) "atomic energy" means all forms of energy released in the course of nuclear fission, nuclear fusion, or other nuclear transformation;

(2) "Atomic Energy Commission" or "Commission" means the Atomic Energy Commission of the United States or any successor thereto in the exercise of the authority and functions thereof;

(3) "Authority" means "The Kentucky Atomic Energy Authority" created and established by this Act;

(4) "Executive Director" means the person holding the position of that title by appointment of the Authority from time to time;

(5) "revenue bonds" means the revenue bonds which the Authority is herein authorized to issue in furtherance of the lawful and proper functions and powers of the Authority, and which do not constitute an indebtedness of the Commonwealth within the meaning of debt-limiting provisions of the present Constitution of the Commonwealth, but are payable as to principal and interest solely from one or more special funds, and from revenues to be derived by the Authority and pledged to be paid into any such special fund from the activities and operations which the Authority is empowered to acquire;

(6) "governmental agency" means the Commonwealth, the United States or any State thereof, any foreign government (unless such foreign government be one with which nuclear transactions are forbidden by law or regulation of the Atomic Energy Commission) or any division, department, or licensed agency or instrumentality of any of them, including agencies and instrumentalities in corporate form, whether created by legislative enactment or organized as non-profit corporations under general corporation laws for the purpose of serving as agencies or instrumentalities of either of them;

(7) "private enterprise" means any person who is not an officer, agent or employee of the United States or of the government of any State or Territory of the United States or of any foreign government; and any firm, co-partnership, association, foundation or corporation which is not a governmental agency, whether or not operated for monetary profit;

(8) "project", without other descriptive designation, means any undertaking of the Authority in furtherance of its lawful objectives and purposes, whether alone or by agreement with any governmental agency or with private enterprise, such as, but not limited to nuclear power stations, nuclear testing reactors, plants for chemical or metallurgical processing of source and special nuclear materials, plants for chemical processing of irradiated nuclear material, and plants for the separation of isotopes of uranium and plutonium, and includes supporting and related projects.

Section 4. (1) The Governor, the Lieutenant Governor, the Commissioner of Economic Development, the Comissioner of Health, the Attorney General and their respective successors in office, and five citizens appointed by the Governor, shall be a body corporate and politic constituting a public corporation and governmental agency and instrumentality of the Commonwealth by the name of "The Kentucky Atomic Energy Authority," with perpetual succession and with power in that name to contract and be contracted with, sue and be sued, have and use a corporate seal, adopt by-laws for the governing of its affairs and amend them at will, and to exercise, in addition to the powers and functions specifically stated in this Act, all of the usual powers of private corporations to the extent that the same are not inconsistent with specifically enumerated powers.

(2) The five citizen members shall be appointed for terms of four years, their initial appointments, however, being two for terms of one year, and one each for terms of two, three and four years from the effective date of this Act. At least one of the members so appointed shall be a nominee of Kentucky Spindletop Research Center, Incorporated who shall be chosen by the Governor from a list of three names to be submitted to him by that organization. All appointments to fill vacancies shall be for the unexpired term only. No member appointed under this subsection shall be removed from office except for good cause shown and entered on the Executive Journal.

(3) The Governor shall be the Chairman of the Authority and the Lieutenant Governor shall be Vice-Chairman, by virtue of their respective offices. The members shall elect from among their number a secretary and a treasurer; or may determine by resolution that the Executive-Director, hereinafter referred to, shall hold either or both of such offices. The duties of the officers shall be as prescribed in the by-laws. The members of the Authority shall name an Executive Committee of three members to which power to act for the Authority may be delegated subject to such limitations as may be established in the by-laws.

(4) The members of the Authority shall receive no compensation for their services in that capacity, but shall be entitled to reimbursement for all reasonable expenses necessarily incurred in connection with performance of their duties and functions as such members.

(5) Six members of the Authority shall constitute a quorum for the transaction of business, and in the absence of a quorum, one or more members may adjourn from time to time until a quorum is convened.

(6) The Authority shall meet not less frequently than quarterly, and otherwise as often as may be necessary to the proper and timely performance of the functions and powers herein conferred upon it. In its by-laws, or by resolution spread at large upon its official minutes, the Authority may prescribe periodic meetings at stated times and places; and meetings held upon such stated occasions (including any adjournments thereof to reconvene at another time and place

definitely set forth in the Minutes) shall constitute regular meetings at which any business may be transacted without notice to the members. Special meetings may be called by the Chairman or by any three members, and notice of the time, place, and business to be transacted thereat shall be given to the members at such time and in such manner as may be prescribed in the by-laws. Members may waive notice of any meeting orally or in writing, before, at, or after the meeting; and the presence of a member at any meeting shall constitute a waiver of notice on his part unless he makes specific objection on the ground of want of proper notice.

(7) The Authority may appoint one or more advisory committees consisting of not more than seven members each to consider and advise the Authority upon all matters submitted to them by the Authority. Members of advisory committees shall serve without salary for such terms not to exceed four years, as the Authority may determine, and shall be entitled to reimbursement for their actual and necessary expenses incurred in the performance of their official duties.

Section 5. The chief executive officer of the Authority shall be its Executive Director, who shall be a person determined in the discretion of the Authority to possess adequate qualifications in technical, legal or administrative aspects of atomic energy who shall be employed by resolution of the Authority, perform such services and exercise such powers as may be prescribed by the Authority, and shall serve at the pleasure of the Authority. His compensation shall be fixed by the Authority, and in addition thereto he shall be allowed travel, subsistence and other proper expenses incurred in the performance of his duties as may be provided from time to time for other employes of the Commonwealth. He may by resolution be elected or appointed to serve as the secretary or treasurer of the Authority, or both.

Section 6. The Attorney General shall be the legal officer of the Authority, but shall designate one or more qualified Assistant Attorneys General to serve as advisors to the Authority, the Executive Director, and other staff members as occasions may arise.

Section 7. The Commissioner of Health shall be the health and safety officer of the Authority, but shall designate one or more qualified staff-members of the Department of Health to advise the Authority, the Executive-Director, and staff-members of the Authority in such matters as occasions may arise.

Section 8. The Authority shall establish its principal office at Frankfort, and may establish branch or field offices wherever it may determine that expeditious performance of its functions may from time to time require.

Section 9. The Authority shall have the following general powers, in addition to specific powers enumerated in this Act:

(1) To acquire by purchase, exercise of the right of eminent domain, grant, gift, devise or otherwise, the fee simple title to or any acceptable lesser interest in any lands, and by lease or other contract the right to use and occupy any lands, selected in the discretion of the Authority as constituting necessary, desirable or acceptable sites for projects of the Authority, including any and all lands adjacent to a project site as in the discretion of the Authority may be necessary or suitable for satellite projects or restricted areas; but in all instances lands which are to be designated as radioactive waste material sites shall be acquired in fee simple absolute and dedicated in perpetuity to such purpose;

(2) Except in the cases of radioactive waste material sites, to convey to private enterprise, or to lease to private enterprise for such term as in the discretion of the Authority may be in the public interest, any lands so acquired, either for a fair and reasonable consideration or solely or partly as an inducement to the establishment or location in the Commonwealth of any atomic facility, project, satellite project, or nuclear storage area; but subject to such restraints as may be deemed proper to bring about a reversion of title or termination of any lease in the event the grantee or lessee, as the case may be, shall cease to use the premises or facilities in the conduct of businss or activities consistent with the purposes of this Act;

(3) To construct, reconstruct, maintain, repair, operate, and regulate projects at such locations within the Commonwealth as may be determined by the Authority;

(4) To issue revenue bonds of the Authority payable solely from the revenues, rentals, rates, charges and other funds, pledged for their payment, for the purpose of paying all or any part of the cost of any one or more projects, and to refund any of its bonds;

(5) To fix by contract, or to establish and revise from time to time and charge and collect revenues, rentals, rates and charges for use of the services and facilities of projects;

(6) To combine for financing purposes any two or more projects;

(7) To establish and enforce rules and regulations for the use of any project;

(8) Without reference to Chapter 56 of the Kentucky Revised Statutes, to acquire and hold in the name of the Authority real and personal property in the exercise of its powers and the performance of its functions and duties under this Act, and to dispose of the same with due regard for public health and safety, except in the case of radioactive waste material sites, which may be disposed of only to the Commonwealth itself, or to the United States;

(9) To designate the locations and establish, limit and control such points of ingress to and egress from each project as the Authority

may determine to be necessary or desirable to insure the proper operation and maintenance of such project, and to prohibit entrance to such project from any point or points not so designated;

(10) To make and enter into such contracts and agreements with governmental agencies and private enterprise as may be necessary or incidental to the performance of its duties and the execution of its powers under this Act;

(11) To employ scientists, consulting engineers, health officers, attorneys, accountants, construction and financial experts, superintendents, managers, and such other employes and agents as may be necessary in the judgment of the Authority, and to fix their compensation;

(12) To receive and accept from any governmental agency, or from private enterprise, grants for or in aid of any project, in money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants and contributions may be made;

(13) To expend any funds provided under the authority of this Act to publicize the facilities and services of a project or projects to governmental agencies and private enterprise; and

(14) To do all acts and things necessary or convenient to carry out the powers expressly granted in this Act.

Section 10. (1) The Authority is hereby authorized to provide, at one time or from time to time, for the issuance of its revenue bonds for the purpose of paying all or any part of the cost of any one or more projects undertaken pursuant to this Act. The principal of and the interest on such bonds shall in each instance be payable solely from a special fund provided for such payment, and from identified revenues pledged to be set aside and deposited in such special fund. The bonds of any issue may be in one or more series and any one or more such series may enjoy equal or subordinate status with respect to the pledge of funds from which they are payable, shall be dated, shall bear interest at such rate or rates not exceeding six per cent per annum, shall mature at such time or times not exceeding the fortieth (40th) anniversary of their respective dates, all as may be provided by the Authority, and may be made redeemable before maturity, at the option of the Authority, at such price or prices and under such terms and conditions as may be fixed by the Authority prior to the issuance of the bonds. The Authority shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places for payment of principal and interest, which may be at any bank or trust company within or without the Commonwealth. The bonds shall be signed by the facsimile signature of the Chairman of the Authority, and the seal of the Authority or a facsimile thereof shall be affixed thereto and attested by the manual signature of the secretary of the Authority, and any coupons attached thereto shall bear the facsimile signature of the Chairman of the Authority. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. All bonds issued under the provisions of this Act shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code of the Commonwealth. The bonds may be issued in coupon or in registered form, or both, as the Authority may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest. The Authority may sell such bonds in such manner, either at public or private sale, and for such price as it may determine will best effect the purposes of this Act, but no such sale shall be made at a price so low as to require the payment of interest on the money received therefor at more than six per cent per annum computed with relation to the absolute maturity of the bonds in accordance with standard tables of bond values, excluding, however, from such computations the amount of any premium to be paid on redemption of any bonds prior to maturity.

(2) The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the project or projects for which such bonds shall have been issued, and shall be disbursed in such manner and under such restrictions, if any, as the Authority may provide in the proceedings authorizing the issuance of such bonds or in the trust indenture securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than such cost, additional bonds may in like manner be issued to provide the amount of such deficit, and, unless otherwise provided in the proceedings authorizing the issuance of such bonds or in the trust indenture securing the same, shall be deemed to be of the same issue and shall be entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue shall exceed such cost, the surplus shall be deposited to the credit of the sinking fund or funds for such bonds or any account or accounts therein as the Authority shall have provided in the proceedings or trust indenture authorizing and securing such bonds.

(3) prior to the preparation of definitive bonds, the Authority may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The Authority may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Bonds may be

issued under the provisions of this Act without obtaining the consent of any department, division, commission, board, bureau, or agency of the Commonwealth, and without any other proceedings or the happening of any other conditions or things, except as specifically required by this Act.

Section 11. Revenue bonds issued by the Authority under the provisions of this Act shall not be deemed to constitute a debt of the Commonwealth or of any political subdivision thereof, or a pledge of the faith and credit of the Commonwealth or of any such political subdivision, but such bonds shall be payable solely from the funds provided therefor under the provisions of this Act. All such revenue bonds shall contain on the face thereof a statement to the effect that neither the Commonwealth nor the Authority shall be obligated to pay the same or the interest thereon except from revenues of the project for which they are issued, and that neither the faith and credit nor the taxing power of the Commonwealth or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such bonds.

Section 12. In the discretion of the Authority, any bonds issued under the provisions of this Act may be secured by a trust indenture by and between the Authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the Commonwealth. Such trust indenture or the proceedings providing for the issuance of such bonds may pledge or assign the revenues, rentals, rates and charges to be received, but shall not convey or mortgage any project or any part thereof. Such trust indenture or proceedings may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the Authority in relation to the acquisition of property and the construction, improvement, maintenance, repair, operation and insurance of the project or projects in connection with which such bonds shall have been authorized, the rentals, rates, charges and other revenues to be established and collected, and the custody, safeguarding and application of all moneys. It shall be lawful for any bank or trust company incorporated under the laws of the Commonwealth which may act as depository of the proceeds of bonds or of revenues to furnish such indemnifying bonds or to pledge such securities as may be required by the Authority. Any such trust indenture may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust indenture or proceedings may contain such other provisions as the Authority may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust indenture or proceedings may be treated as a part of the cost of the operation of the project or projects.

Section 13. All moneys received pursuant to the provisions of this Act, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this Act. The proceedings or the trust indenture shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to such regulations as this Act and such proceedings or trust indenture may provide.

Section 14. Any holder of bonds issued under the provisions of this Act or any of the coupons appertaining thereto, and the trustee under any trust indenture, except to the extent the rights herein given may be restricted by such trust indenture or proceedings, may, either at law or in equity, by suit, action, mandamus or other proceedings, protect and enforce any and all rights under the laws of the Commonwealth or granted under this Act or under such trust indenture or the proceedings authorizing the issuance of such bonds, and may enforce and compel the performance of all duties required by this Act or by such trust indenture or proceedings to be performed by the Authority or by any officer or employes thereof, including the fixing and collecting of rentals, rates, charges and other revenues.

Section 15. The exercise of the powers granted by this Act will be in all respects for the benefit of the people of the Commonwealth, for the increase of their commerce and prosperity, and for the safeguarding and protection of their health and living conditions, and as the operation and maintenance of a project or projects will constitute the performance of essential governmental functions, the Authority shall not be required to pay any taxes or assessments upon any project or any property acquired or used by the Authority under the provisions of this Act or upon the income therefrom, and the bonds issued under the provisions of this Act, their transfer and the income therefrom (including any profit made on the sale thereof) shall at all times be free from taxation within the Commonwealth; but exemption from taxation shall not extend to real or personal property in the ownership of private enterprise, or to the income, operations or securities of private enterprise, except and to the extent exemption may be provided in any case by the Constitution and other statute laws of the Commonwealth.

Section 16. Bonds issued by the Authority under the provisions of this Act are hereby made securities in which all public officers and public bodies, agencies and instrumentalities of the Commonwealth (including its Retirement Systems) and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or other obligations of a similar nature may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any state or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or other obligations of the Commonwealth is now or may hereafter be authorized by law.

Section 17. (1) The Authority is hereby authorized and empowered to acquire by purchase, whenever it shall deem such purchase expedient, solely from funds provided pursuant to this Act, such lands, structures, property, rights, rights-of-way, franchises, easements and other interests in lands, including lands lying under water and riparian rights, which are located within the Commonwealth, as it may deem necessary or convenient for the construction and operation of any project, upon such terms and at such prices as may be considered by it to be reasonable and can be agreed upon between it and the owner thereof, and to take title thereto in the name of the Authority.

(2) Whenever a reasonable price cannot be agreed upon, or whenever the owner is legally incapacitated or is absent, unknown or unable to convey valid title, the Authority is hereby authorized and empowered to acquire by condemnation or by the exercise of the power of eminent domain any lands, property, rights, right-of-way, franchise, easements and other property, including public lands, parks, playgrounds, reservations, highways or parkways, or parts thereof or rights therein, of any person, copartnership, association, railroad, public service, public utility or other corporation, or municipality or political subdivision, deemed necessary or convenient for the construction or the efficient operation of any project or necessary in the restoration of public or private property damaged or destroyed. Any such proceedings shall be conducted, and the compensation to be paid shall be ascertained and paid, in the manner provided by the Constitution and laws of the Commonwealth then applicable which relates to condemnation or the exercise of the power of eminent domain by the Department of Highways. Title to any property acquired by the Authority shall be taken in the name of the Authority. In any condemnation proceedings the courts having jurisdiction of the suit, action or proceedings may make such orders as may be just to the Authority and to the owners of the property to be condemned and may require an undertaking or other security to secure such

owners against any loss or damage by reason of the failure of the Authority to accept and pay for the property, but neither such undertaking or security nor any act or obligation of the Authority shall impose any liability upon the Commonwealth except as may be paid from the funds provided under this Act.

(3) If the owner, lessee or occupier of any property to be condemned shall refuse to remove his personal property therefrom or give up his possession thereof, the Authority may proceed to obtain possession in any manner now or hereafter provided by law.

Section 18. The Authority is hereby authorized to provide for the issuance of its revenue refunding bonds for the purpose of refunding any bonds then outstanding which shall have been issued under the provisions of this Act, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds, and, if the Authority shall so determine, for the additional purpose of constructing improvements, extensions, or enlargements of the project or projects in connection with which the bonds to be refunded shall have been issued. The Authority is further authorized to provide for the issuance of its revenue bonds for the combined purpose of (a) refunding any bonds then outstanding which shall have been issued under the provisions of this Act, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds, and (b) paying all or any part of the cost of any additional project or projects. The issuance of such bonds, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties and obligations of the Authority in respect of the same, shall be governed by the provisions of this Act in so far as the same may be applicable.

Section 19. It is recognized by the General Assembly that any site used as a radioactive waste material site will represent a continuing and perpetual responsibility in the interests of the public health, safety and general welfare, and that the same must ultimately be reposed in a sovereign government without regard for the existence or non-existence of any particular agency, instrumentality, department, division or officer thereof.

In the event the Authority shall acquire and dedicate one or more radioactive waste material sites, the Authority may convey such sites to the Commonwealth for no other consideration than an undertaking of the Commonwealth to maintain, safeguard, and operate the same in the interests of the public health, safety and welfare. Any such conveyance may contain an express provision that the Commonwealth thereby assumes such continuing and perpetual responsibility, and the Commissioner of Health (or other officer succeeding to his functions) is hereby authorized to sign the same and bind the Commonwealth in that regard; and any such conveyance may be made subject to any existing contractural rights of licensing using source, by-product and special nuclear materials to make use of the site or sites in the disposition of radioactive waste materials.

Section 20. The General Assembly hereby takes notice of, and finds as a legislative determination of fact, that until such time as the General Assembly may take notice of and find as a legislative determination of fact to the contrary, the development, promotion and implementation of activities and projects in the field of atomic energy require special expertise which is not common or currently available to general construction contractors or operating private enterprise; and that by reason thereof it is in the public interest and in pursuance of sound public policy of the Commonwealth that the Authority not be restricted to awarding contracts for the construction, installation or operation of such projects as are authorized by this Act by public award on the basis of competition after such public advertisement or solicitation as may otherwise be required by general laws. Accordingly, the Authority is specifically empowered in the public interest (a) without advertising or other public solicitation to negotiate and enter into contracts, agreements, or leases with federal or state governmental agencies or private enterprise duly licensed according to law and prevailing regulations for the initiation and operation of any project, and (b) without advertising or other public solicitation to negotiate and enter into contracts for the construction and installation of any structures, buildings, installations and appurtenances necessary or incidental to the same or any part thereof.

Section 21. For the purpose of carrying out the provisions of this Act, there is hereby appropriated out of the General Expenditure Fund, from available funds otherwise unappropriated, to The Kentucky Atomic Energy Authority, the following sums for the fiscal years indicated:

1962-1963	$78,380
1963-1964	$78,380

Section 22. Inasmuch as the Commonwealth, pursuant to statutory authority, has entered into certain agreements with the government of the United States, whereby the Commonwealth has already entered into the field of atomic energy, and inasmuch as the Commonwealth now has an opportunity to locate within its boundaries certain projects which will be beneficial to its economy if this Act

becomes immediately effective, an emergency is hereby declared to exist and this Act shall become effective immediately upon its passage by the General Assembly and approval by the Governor of the Commonwealth.

HB 437, AN ACT relating to the Legislative Research Commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 7.100 of the Kentucky Revised Statutes is amended to read as follows:

It shall be the duty of the Legislative Research Commission to:

(1) Maintain in the State Capitol for the use and information of the General Assembly, a legislative reference room and working library, collect, summarize and index information of a legislative and governmental nature relating to legislation and legislative policies and index all bills introduced in the General Assembly. Permanent office space for the Legislative Research Commission and for the director thereof and employes or subcommittees shall be provided on the third floor of the State Capitol. When the General Assembly is not in session, the commission shall have jurisdiction over the use of the House and Senate Chambers and [, following completion of the renovation work on the Capitol begun in 1953,] over the allocation of all rooms used by the General Assembly while in session. The commission may provide for such other office space as it may deem necessary.

(2) Make or cause to be made such investigations into statute law, legislation, governmental agencies and institutions and matters of public policy as will aid the General Assembly in performing its duties in the most efficient and economical manner. In making such studies and investigations between the regular sessions of the General Assembly, the commission shall give priority to those subjects requested by the General Assembly.

(3) Afford to any member of the General Assembly or any committee of either house of the General Assembly such information and assistance as may be practicable in the preparation of bills, memorials, resolutions, amendments, alterations and changes thereto and revisions and substitutes thereof, proposed to be introduced into the General Assembly.

(4) The commission, at the close of each legislative session, shall assume custody of all furniture, equipment, records, materials and supplies, and printed copies of bills in the possession of the clerks of

the Senate and House. Immediately prior to the convening of the next session, the commission shall transfer all furniture, equipment, materials and supplies to the clerks of the respective houses. The commission may, when the General Assembly is not in session, authorize the expenditure of funds appropriated to the General Assembly for the purchase, repair or maintenance of furniture, equipment, materials and supplies and contract for services needed by the General Assembly.

(5) The commission shall prepare and publish or contract for the preparation and publishing of a daily index and digest of the content of and legislative action on all measures introduced in the General Assembly.

(6) After each election the commission shall conduct a pre-session orientation conference for members of the General Assembly.

HB 366, AN ACT relating to alcoholic beverages.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It shall be unlawful for any person to knowingly possess any alcoholic beverage not bearing the stamp required to evidence tax payment, except as otherwise permitted by law.

Section 2. Any person violating Section 1 of this Act shall be fined not less than fifty dollars nor more than five hundred dollars.

HB 356, AN ACT relating to judicial districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The preamble and subsection (13) of Section 23.050 of the Kentucky Revised Statutes is amended to read as follows:

The regular term of each court shall commence in each county at the following named time, and continue, if the business requires it, the number of days hereinafter prescribed:

(13) Boyle County, at Danville, on the first Monday in January [,] *and* the second Monday in April, *eighteen juridical days each; on* [and] the second Monday in September, *twenty-four* [eighteen] juridical days [each].

Garrard County, at Lancaster, on the second Monday in March and the fourth Monday in November, eighteen juridical days each; on the fourth Monday in July, twelve juridical days.

Lincoln County, at Stanford, on the third Monday in February, twelve juridical days; on the fourth Monday in May and the first Monday in November, eighteen juridical days each.

Mercer County, at Harrodsburg, on the fourth Monday in January, [and] the first Monday in May, [eighteen juridical days each; on] the first Monday in October; *eighteen* [twenty-four] juridical days.

HB 293, AN ACT changing the classification of the city of St. Regis Park, in Jefferson County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of St. Regis Park, in Jefferson County, is such as to justify its being classified as a city of the fifth class.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of St. Regis Park, in Jefferson County, is transferred from the sixth to the fifth class of cities.

HB 205, AN ACT relating to Parks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 148.085 of the Kentucky Revised Statutes is amended to read as follows:

(1) There shall be a State Park at the site of the original Fort Boonesboro in Madison County, Kentucky, which park shall be known as Boonesboro State Park. This park shall [consist of no more than 200 acres and shall] be developed for historical and/or recreational purposes at the discretion of the Commissioner of *Parks* [Conservation], in commemoration of the historical significance of Fort Boonesboro to the history and traditions of the Commonwealth.

(2) The *Department* [Division] of Parks is hereby authorized, in the discretion of the Commissioner of *Parks* [Conservation], to acquire real property on and near the site of the original Fort Boonesboro in accordance with the provisions of KRS 148.060. The *Department* [Division] of Parks is further authorized to provide for the maintenance of Boonesboro State Park in the manner provided by law.

HB 191, AN ACT changing the classification of the City of Radcliff, in Hardin County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Radcliff, in

Hardin County, is such as to justify its being classified as a city of the fifth class.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Radcliff, in Hardin County, is transferred from the sixth to the fifth class of cities.

HB 128, AN ACT relating to fire department aid.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 17.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commissioner shall allot on an annual basis the funds appropriated for fire department aid in the amounts not to exceed *two thousand dollars* [$1,000] to *the* fire departments in those cities of the third through sixth classes, fire prevention districts organized pursuant to KRS Chapter 75, county districts established under authority of KRS 67.320, and all other organized fire departments recognized by the commissioner as fire departments operated and maintained on a non-profit basis in the interest of the health, safety, prosperity and security of the inhabitants of the Commonwealth. With the advice of the Fire Department Committee, he shall prescribe regulations and standards for determining the amounts to be granted. Such standards shall be based on the number of firemen, both paid and volunteer, the amount of equipment, housing facilities available and such other matters or standards as will best effect the purposes of the fire department aid law. No allotment shall exceed the total value of the funds, equipment, lands and buildings made available to the local fire units from any source whatever for the year in which the allotment is made.

(2) *To carry out the purposes of the fire department aid law, there is appropriated to the Department of Public Safety out of the General Expenditure Fund in the State Treasury the sum of $100,000.00 for the 1962-1963 fiscal year, and the sum of $100,000.00 for the 1963-1964 fiscal year.*

HB 9, AN ACT relating to circuit courts of continuous session in counties having less than 150,000 population and having more than one judge.

WHEREAS, the General Assembly finds the facts to exist which entitle the Sixth Circuit Court District to two judges and the Sixteenth and Twenty-second Circuit Court Districts to three judges each, and

WHEREAS, the General Assembly, giving due regard to territory, business, population, and the right of all persons to a speedy trial, as provided by the Constitution of this Commonwealth, finds that an additional judge is necessary in each of the Sixth, Sixteenth and Twenty-second Circuit Court Districts,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Each judge of a circuit court of continuous session having more than one judge, and located in a county having less than 150,000 population shall have jurisdiction over both civil and criminal causes. The judges of such a court shall establish numbered divisions of the court, and shall adopt uniform rules for transacting the business of the court, all of which shall be effective only when approved by the Court of Appeals, in counties having three judges the three judges may agree among themselves that one of said judges shall have exclusive jurisdiction of criminal cases.

Section 2. At each election of judges to a court described in Section 1 of this Act, beginning with the general election in 1963, each office shall be voted for separately by numbered division. The candidate receiving the largest number of votes cast for a numbered division of the court shall be elected judge of that division.

Section 3. In a court described in Section 1 of this Act, a majority of the judges shall appoint a master commissioner of the court. In the event of a tie vote, the clerk of the court shall cast the deciding vote.

Section 4. Section (1) of Kentucky Revised Statutes 28.450 is amended to read as follows:

(1) Reporters for circuit courts in counties containing a city of the second class and having two or more judges, shall receive for their services in taking stenographic notes, a salary of not less than $5,000 per annum, to be fixed by the fiscal court of said county and paid in monthly installments by the county.

Section 5. The Sixth, Seventeenth and Thirty-fifth Circuit Court Districts shall have two judges each, and the Sixteenth and Twenty-second Circuit Court Districts shall have three judges each.

Section 6. Sections 24.030, 24.045, 24.050, 24.055, 24.056, 24.060, 24.070, 24,080, 24.090, 24.100, 24.110, 24.120, 24.140, 24.150, 24.160, and 27.020 of the Kentucky Revised Statutes are repealed.

Section 7. Whereas, the congested dockets of the circuit courts in the Sixth, Sixteenth and Twenty-second Circuit Court districts deprive citizens of this Commonwealth of a prompt trial, as guaranteed by the Constitution of this Commonwealth, an emergency is declared to exist, and this Act shall become effective immediately upon its passage and signature by the Governor.

Amend printed copy of House Bill 9 on page 3, line 5, by: deleting Section 7 and inserting in lieu thereof the following:

Section 7. (1) Within ninety days after this Act becomes operative, the Governor shall appoint a person having the qualifications of a circuit judge to preside over the additional authorized Division of the Circuit Court District who, when appointed, shall be commissioned by the Governor as judge of the Circuit Court District and shall enter upon the duties of the office as soon as he shall have qualified, and shall continue in office until his successor is duly elected and qualified as provided in subsection (2) of this section.

(2) At the regular election to be held on the first Tuesday after the first Monday in November, 1963, and every six years thereafter, such additional judge shall be elected, as other circuit judges are required to be elected, and shall enter upon the duties of the office on the first Monday in January next succeeding his election.

Section 8. This act shall become effective as it relates to the Sixteenth and Twenty-Second Circuit Court Districts on September 1, 1962.

Section 9. Whereas, the congested docket of the circuit court in the Sixth Circuit Court District deprives citizens of this Commonwealth of a prompt trial, as guaranteed by the Constitution of this Commonwealth, an emergency is declared to exist, and this Act shall become effective as it relates to the Sixth Circuit Court District immediately upon its passage and signature by the Governor.

HB 228, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 140.160 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Revenue shall have full supervision of the collection of all taxes due under the provisions of this chapter, including the power to institute suit in this and other states. It may employ attorneys and other persons necessary to carry out the full intent and purpose of this chapter. The department shall furnish, upon application, blank forms covering such information as may be necessary to determine the amount of tax due the state on the transfer of all property subject to tax.

(2) The department may cause personal representatives or beneficiaries to file all statements required by this chapter with the clerks of the proper courts and with the department, and may require them to furnish any additional information deemed necessary to *support the computation of* [determine] the amount of tax that should be paid by the estate. The personal representative shall in every case, when he files his inventory in the county court, file a duplicate thereof with the department. *The personal representative shall compute the taxes imposed by this chapter on the tax return provided by the department. Such tax return shall be filed with the department within 18 months after the death of the decedent or at the time payment of the tax is made pursuant to KRS 140.210.* [The department may examine all statements filed by personal representatives and beneficiaries.]

(3) Except as herein provided, no action to enforce the collection of the tax imposed by this chapter shall be commenced more than ten years after the cause of action first accrued. In case the settlement of an estate is delayed because of litigation or other unavoidable cause, as described in subsection (1) of KRS 140.210, such delay shall suspend the limitation, prescribed by this subsection, until the cause of delay is removed. In the case of a fraudulent return or any other fraudulent representation affecting the amount of or the liability for the tax imposed by this chapter notwithstanding any provision of limitation provided elsewhere, the tax due by reason thereof may at any time be assessed and collected by the methods set out in this chapter, including action in a court of competent jurisdiction.

Section 2. Section 140.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county court, upon the request of the personal representative or any interested party, shall appoint some competent person as appraiser of the estate. The appraiser shall give notice to all persons having an interest in the estate and to such other persons as the court may by order direct, and shall then appraise the property belonging to the estate. His report shall be filed with the county court and a copy thereof with the Department of Revenue. He shall be paid for his services out of the funds of the estate, on the certification of the county court, the amount to be fixed by that court. The total compensation of the appraiser shall not exceed one-tenth of one percent of the total appraised value of the estate for inheritance tax purposes, but there shall be a minimum allowance of five dollars, together with the appraiser's actual and necessary traveling expenses.

(2) After investigation, the department *may change* [shall fix] the value of the estate for inheritance taxes and advise the representatives of the estate of this *changed* valuation *after the receipt of a completed tax return and full payment as shown by the tax return.*

(3) No appraiser shall accept any fee or reward from a personal representative, trustee, legatee, next of kin or heir of the decedent, or from any other person liable to pay the tax or any portion thereof.

(4) No person shall willfully and knowingly subscribe to or make any false statement of fact, or knowingly subscribe to or exhibit any false paper or false report with intent to deceive any appraiser.

(5) The department shall keep a record of all returns, *reports, and schedules attached thereto required by this chapter for 12 years.* [made by appraisers, the cash value of annuities, life estates and terms of years, and the amount of all taxes assessed by it. The department may record all other information which it deems desirable or proper.]

Section 3. Section 140.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) All taxes imposed by this chapter shall be *computed and paid* [assessed by the Department of Revenue] on the [full and] fair cash value of the property transferred at the rates provided. All personal representatives, trustees and beneficiaries shall be personally liable for the taxes until they are paid, but only to the extent that same come into their hands, and in no case shall the personal representative or trustee be liable for a greater sum than passes through his administration. [Notice of the amount of the taxes shall be mailed to the personal representative, trustee or other person liable therefor by the department, and, upon request, to any other person by whom the taxes are payable, but failure to receive this notice shall not excuse nonpayment or invalidate the taxes.]

(2) The heir, devisee or other donee shall be personally liable for the tax on real property, as well as the personal representative or trustee, and if the personal representative or trustee pays the tax he may, unless the tax is made an expense of administration by the will or other instrument, recover the tax from the heir, devisee or other donee of the real property.

(3) The taxes shall be and remain a lien upon the property transferred and upon all property acquired by the personal representative or trustee, until the taxes are paid or a bond given as provided in KRS 140.210. The lien may be enforced as other liens on similar property are enforced. The lien shall not affect any personal property after it has passed to a bona fide purchaser for value, but the owner of securities may not have them transferred to him by the issuing corporation until the permit required by this chapter has been filed. The lien upon any real property may be discharged by the payment of all taxes due and to become due.

(4) When a conveyance made by a decedent in his lifetime is subject to tax, and the property thus conveyed is personal property

without the state or is removed from the state before the tax is paid, the tax shall become a lien upon all property of the decedent; the personal representative shall collect the taxes due on account of the conveyance, and may be authorized to sell any property subject to the lien for the payment thereof, as in other cases.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

The department may make such audits, appraisals, and examinations of records according to KRS 131.130 to properly supervise the collection of all taxes due under the provisions of Chapter 140 of Kentucky Revised Statutes. A completed tax return with full payment attached shall be final one year after receipt by the department unless an audit has been initiated with due notice to the personal representative, except:

(a) If any assets of the estate were not reported on the tax return filed with the department, or

(b) If any information was not revealed to the department which would affect the amount of tax due.

Section 5. *WHEREAS, it is necessary that the effective date correspond to the beginning of a fiscal year for administrative feasibility and efficiency, this Act shall become effective July 1, 1962.*

SB 38, AN ACT relating to tax.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 91.200 of the Kentucky Revised Statutes is repealed.

Section 2. Whereas, the cities affected by this Act will need adequate time to make the many adjustments concerning their future budgets, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SB 311, AN ACT relating to Highways.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) As used in this Act unless the context requires otherwise "Department" means Department of Highways, Commonwealth of Kentucky.

(2) "Person" means any individual, firm, agency, company, association, partnership or corporation.

Section 2. No officer, agent or employee of the Commonwealth of Kentucky, Department of Highways, shall perform or cause to be performed any work or provide or cause to be provided services of any nature beyond the right of way limits of any public road, nor shall any person accept the work or services of any officer, agent or employee of the Department on private property.

Section 3. No goods or materials belonging to or under control of the Department shall be used in work of any nature beyond the right of way limits or any public road, nor shall any person accept or permit the use of such goods or materials on private property.

Section 4. Any person who violates the provisions of this Act shall be guilty of a misdemeanor and shall upon conviction be fined not less than $100 nor more than $500. Each day in which work is performed or materials furnished in violation of the provisions of this Act shall constitute a separate offense.

Section 5. In addition to any other penalties provided herein, any officer, agent or employee of the Department who performs work or services beyond the right of way limits of public road or any person who accepts such work or services shall reimburse the Department for all costs of the work or services performed and for any materials which shall have been used in the performance of the work or services.

Section 6. Nothing in this Act shall be so construed as to prevent the lawful execution of other granted powers necessary to accomplish the purposes of the Department of Highways.

SB 315, AN ACT relating to cemeteries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The following new section is added to and made a part of KRS Chapter 307:

As used in this chapter, unless the context requires otherwise, "community mausoleum" means a mausoleum, vault, crypt, columbarium or other structure constructed for public use, wholly or partially above the surface of the ground or partly covered with earth or sod, for the purpose of permanently containing the dead bodies or cremated remains of fifteen or more human beings who are members of more than one family.

Section 2. The following new section is added to and made a part of KRS Chapter 307:

(1) Any person, firm or corporation engaged in the business of ownership, maintenance or operation of a community mausoleum shall cause to be established in a bank authorized by law to administer trust funds an irrevocable trust fund to be known as a community mausoleum maintenance fund. The income of this fund may be used

only for the general care and maintenance of the community mausoleum.

(2) Any person, firm or corporation required to establish a community mausoleum maintenance fund under subsection (1) of this section shall place at least twenty percent of the gross selling price of each crypt or niche into this fund. In no case shall such deposit be less than one hundred dollars per crypt or niche. Such person, firm or corporation shall also deposit in such fund the same additional sums required of cemeteries under KRS 307.010, before disposing of any crypt or niche.

(3) Income from a community mausoleum maintenance fund may be used only for the perpetual care and maintenance of the particular community mausoleum for which it was established. The community mausoleum maintenance fund shall be separate and distinct from the funds of the cemetery in which the community mausoleum is established.

(4) The Department of Banking may at any time investigate the books of account and records of any person, firm or corporation concerning community mausoleum maintenance funds, and the books of account and records of any trustee of such funds. The Department of Banking may accept an examination of such funds if it is made by a certified public accountant and a copy of the examination is furnished to it.

Section 3. The following new section is added to and made a part of KRS chapter 307:

No community mausoleum may be established after the effective date of the 1962 Act except in a perpetual care type of cemetery that complies with KRS 307.010.

Section 4. Section 307.030 of the Kentucky Revised Statutes is amended to read as follows:

Whenever any person, firm, corporation, or other business organization engaged in the business of owning, maintaining, [or] operating [a] cemetery *property* (hereinafter referred to as "cemetery") [, except a religious organization,] shall accept money in connection with a contract for the sale of cemetery merchandise and other personal property such as may be used in connection with disposing or commemorating the memory of a deceased human being, delivery of which *is contingent upon death or* may be longer than ninety days after the [receipt of final payment on such] sale, the cemetery shall deposit in a trust fund, established for that purpose with a bank or trust company authorized by law to administer trust funds (hereinafter referred to as "trustee"), an amount not less than *fifty percent of the total contract price for cemetery merchandise and personal property so sold. If time payments are involved, all money received as pay-*

ment on each contract shall be deposited with the trustee until a sum equal to fifty percent of the total contract price has been so deposited. [the procurement cost to the cemetery of the cemetery merchandise and personal property so sold. The procurement cost shall be determined and substantiated by a wholesale price list of a manufacturer or supplier of the cemetery merchandise and personal property so sold or by an itemization of the cost or manufacture of the cemetery merchandise and personal property manufactured and sold by the cemetery which cost determination, in either case, shall be verified by a certified public accountant.] the deposit in the trust fund shall be made not later than [forty-] five days after the close of the month in which the *full or partial* [final] payment [on the purchase price] was received.

Section 5. Section 307.040 of the Kentucky Revised Statutes is amended to read as follows:

To insure the adequacy of the trust funds *established under KRS 307.030* for their intended purpose, the net income therefrom shall remain therein and be reinvested and compounded, except that annually, as of December 31, upon certification to the trustee by the cemetery, [in the manner prescribed in KRS 307.030,] the trustee shall return to the cemetery any income of the trust fund, which when added to the original principal and accumulated income is in excess of the *fifty percent* [then] requirements *under KRS 307.030* for the purchase of the cemetery merchandise and other personal property. Except as provided in KRS 307.050 none of the original principal shall be returned to the cemetery even though such principal at the end of the annual period, on December 31, is in excess of the then requirements to fulfill any particular contract or portion thereof.

Section 6. Section 307.050 of the Kentucky Revised Statutes is amended to read as follows:

Except as provided in KRS 307.040, the funds held in trust shall remain intact until detailed certification has been made by the cemetery to the trustee of the delivery of item or items under a contract, at which time [funds to cover the then cost] *the trust portion* of such items shall be delivered to the cemetery. If, after payment to the cemetery for items delivered pursuant to contract, the contract is completed but there remain funds with the trustee or there are still funds allocated to the particular item which has been delivered, in either event, such excess funds shall be delivered to the cemetery. All funds still in the trustee's hands seventy-five years after their receipt shall be then returned to the cemetery.

Section 7. Section 307.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person, firm, or corporation intentionally violating KRS 307.010, [or] 307.020 *or Section 2 or 3 of this 1962 Act,* shall, upon

conviction, be fined not less than one thousand dollars nor more than twenty-five hundred dollars or confined in prison not less than one nor more than five years.

(2) Whoever violates any provision of KRS 307.030 to 307.090 shall be guilty of a misdemeanor and upon conviction shall be fined not less than fifty dollars or more than five hundred dollars, or confined in the county jail not exceeding three months, or both.

Section 8. The following new section is added to and made a part of KRS chapter 307:

This chapter does not apply to any endowed cemetery operating under a charter granted by the Commonwealth of Kentucky before 1875.

SB 212, AN ACT relating to sidewalks in cities of all classes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 381.445 of the Kentucky Revised Statutes is amended to read as follows:

(1) In a city of *any* [first] class whenever a defect shall occur in the condition of any sidewalk, causing its continued use to be dangerous, hazardous or unsafe, it shall be the primary responsibility of the abutting property owner promptly to repair, reconstruct, or improve such sidewalk, and the abutting property owner shall be primarily liable for injury to persons or property arising out of failure to repair, reconstruct or remedy such defect in accordance with the provisions of this statute.

(2) Pending the completion of the repair, reconstruction, or improvement, the abutting property owner shall protect the general public from injury by causing the defective portion of the sidewalk to be fenced, barricaded, marked or illuminated, as the circumstances reasonably require.

(3) Should the abutting property owner fail to repair, reconstruct, or improve a defective sidewalk promptly, the director of works *or city engineer of the city* may cause the same to be repaired, reconstructed or improved, pursuant to the provisions of Chapter 93 of the Kentucky Revised Statutes. Such action shall not relieve the abutting property owner of its primary liability for injury to persons or property arising out of such defect.

(4) Should the city fail to cause the abutting property owner to repair a defect in a sidewalk, or should the city itself fail to repair the sidewalk, within a reasonable time after written notice of the defect has been received by its clerk of the board of aldermen, *city clerk* or mayor, or within a reasonable time after the existence of such

defect should have been discovered by the city by the exercise of reasonable care and diligence, the city shall become secondarily liable for injury to persons or property arising out of such defect, and subject to suit pursuant to the provisions of KRS 411.110.

SB 215, AN ACT amending the Uniform Principal and Income Act by adding thereto sections concerning probate income.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The provisions of this Act apply only to executors and trustees acting under wills of testators who die after the effective date of this Act and whose wills are admitted to probate in this state, but does not apply if a contrary provision has been made by the testator, or by the executor or a trustee under the will pursuant to a power given him by the testator. "Executor" includes an administrator with the will annexed.

Section 2. The executor shall determine net probate income as follows:

(1) He shall ascertain the amount of property received by him which is the product of the property which passed to him by the will or by the execution of a power of appointment, or of any substitute for such property obtained by the executor by purchase, exchange, or otherwise.

(2) He shall include in the amount so ascertained the product of property used by the executor to discharge liabilities of the testator, or of the executor in his representative capacity, including legacies payable in money and interest thereon, or of any donee under the will.

(3) He shall determine how much of the amount so ascertained is classed as income under the provisions of KRS 386.190 to 386.340.

(4) From the amount so determined he shall deduct any income taxes paid thereon by the executor except taxes on capital gains, and that share of the expenses of administration which is properly payable out of probate income. The amount remaining after the deduction is the net probate income.

Section 3. The executor at the time of distribution shall:

(1) Pay over to the trustee of any trust or other legatee to whom specific property other than money is bequeathed the net probate income of such property; and

(2) Pay over all other net probate income to:

(a) the trustee of any trust created out of the residue, and

(b) any legatee for life or years of any portion of the residue, and

(c) any legatee of an absolute interest in any portion of the residue, and

(d) any trustee of a sum of money under a trust created by the will but not payable out of the residue in pro rata shares, in accordance with the respective values of the property bequeathed or given in trust at the death of the testator as determined by the executor.

Section 4. If the executor makes a partial distribution to any legatee or trustee under subsection (2) of Section 3 of this Act, the partial distributee shall share in the net probate income collected to that date but his share in the net probate income later collected by the executor shall be reduced accordingly.

Section 5. The amount of any net probate income distributed by the executor to each trustee or other distributee shall be stated in the order of distribution.

Section 6. A testamentary trustee who receives net probate income from an executor shall treat it as income of the trust for which he is acting.

SB 285, AN ACT relating to water districts, amending KRS 74.020 and KRS 74.120.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 74.020 is amended to read as follows:

(1) A water district shall be administered by a Board of Commissioners, which shall control and manage the affairs of the district. The term of each Commissioner shall be four years, except as provided herein.

(a) If a district lies wholly within a single county, the Board of Commissioners shall consist of three residents of the district who shall be appointed by the county judge. Initial appointments shall be for terms of two, three and four years, as designated by the court.

(b) If a district formed in a single county extends its area to include territory in an adjacent county, as provided by KRS 74.115, the Board of Commissioners shall consist of five residents of the district, three of whom shall be appointed by the county judge of the county having the greater population within the boundaries of the district, and two of whom shall be appointed by the county judge of the remaining county. Initially upon the establishment of the extension of the district into the second county, the county judge of that county shall appoint only two commissioners, regardless of population requirements, but if the second county shall be determined to have the larger population within the district of the two counties,

he shall have the authority to fill the next vacancy existing in the representation of the original county. Orders establishing the extension shall provide for the staggering of initial terms in an equitable manner.

(c) Notwithstanding the provisions of Subsection (b) hereof, any district established or operating in two counties which contracts with one or more cities of the first five classes to supply water to, and to operate the water system of, said city or cities, shall be deemed to have included said city or cities within the boundaries of the district for the purpose of complying with the contract and for the purpose of representation, and for such purposes only and for the period of time covered by the contract and no longer; and the Board of Commissioners of such district shall consist of residents of the district as so extended, one of whom shall be appointed by the county judge of the county which originally established the district, one of whom shall be appointed by the county judge of the county into which the district was extended, and one of whom shall be appointed by the city council of the contracting city, each city so contracting to be entitled to one representative. The commissioners so appointed shall name one commissioner at large, and all of the commissioners so selected and appointed shall constitute the Board of Commissioners. Initially upon the creation of a district conforming to this section, the terms of the commissioners in office upon the date this section becomes applicable to the district, shall cease and terminate as of the following July 1, and all commissioners shall thereafter be selected and appointed as herein provided, and they shall thereupon draw lots to determine the length of their respective terms, the initial terms of office being one, two, three and four years. If there are more than four commissioners, the additional commissioners shall serve for an initial period of four years.

(2) Vacancies shall be filled by [the county court] *the same appointing authority which is empowered to make the original appointment.* Vacancies resulting from cause other than expiration of the term shall be filled for the unexpired term only.

(3) The commission shall elect a chairman, secretary and treasurer. Each commissioner shall execute a bond, approved by the county court, conditioned on the faithful performance of the duties of his position.

(4) Each commissioner shall receive an annual salary of not more than twenty-four hundred dollars, [to be fixed by the county court and] *which shall be* paid out of the water district fund. *In the case of single county districts the salary shall be fixed by the county court; in two county districts it shall be fixed by agreement between the two county courts, except that in districts governed by a Board of Commissioners appointed under the provisions of Section 1 (1) (c) of this Act, each Commissioner shall receive compensation in the amount of ten dollars per diem for each meeting of the Board which he*

attends, but for no more than three meetings in any one month, and he shall be reimbursed for his reasonable and necessary expenses in performing authorized duties for the district.

In fixing the salary of the commissioners, the court shall take into consideration the financial condition of the district and its ability to meet its obligations as they mature.

Section 2. KRS 74.120 is amended to read as follows:

(1) All or any part of an incorporated city may be included in the boundaries of any existing water district or water district being newly organized, provided the governing body of such city by resolution or ordinance gives, or has given, its consent.

(2) The commission may contract with any city which is not included in the boundaries of the district for the purpose of furnishing water or gas to the residents of such city and may contract with any city for the purpose of obtaining water or gas for the use of the district. The assignment to the commission or to the water district of any valid outstanding franchise for the distribution of water or natural, artificial, or mixed gas to the residents of any city shall constitute a contract with the city within the meaning of this section.

(3) *When the commission shall contract with any city of the first five classes in the manner prescribed in this section, such city shall be deemed a part of the district during the life of the contract, but only for the purpose of carrying out the provisions of the contract and for the purpose of permitting representation on the Board of Commissioners. Nothing herein shall impair the ownership by the contracting city of its own system, or empower the district to take any action not authorized by the contract.*

HB 382, AN ACT relating to circuit courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The preamble and subsection (1) of Section 23.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) Ballard County, at Wickliffe, on the first Monday in January and the third Monday in *August,* [April] *eighteen* [twelve] juridical days each; on the *first Monday in May,* [fourth Monday in August] *six* [eighteen] juridical days.

Carlisle County, at Bardwell, *on the second Monday in March and the fourth Monday in October, twelve juridical days each; on the fourth Monday in May, six juridical days.* [on the third Monday in February, the first Monday in June and the first Monday in November, twelve juridical days each.]

Fulton County, at Hickman, *on the fourth Monday in January and the second Monday in September, eighteen juridical days each;*

on the second Monday in May, six juridical days. [On the third Monday in January, twelve juridical days; on the second Monday in April, six juridical days; on the first Monday in May, twelve juridical days; on the third Monday in September, eighteen juridical days.]

Graves County, at Mayfield, *on the fourth Monday in March and the second Monday in November, thirty-six juridical days each; on the first Monday in June, twelve juridical days.* [on the first Monday in March, thirty juridical days; on the third Monday in June, eighteen juridical days; on the third Monday in November, thirty-six juridical days.]

Hickman County, at Clinton, *on the third Monday in February and the first Monday in October, eighteen juridical days each; on the third Monday in May, six juridical days.* [on the first Monday in February and the third Monday in May, twelve juridical days each; on the second Monday in October, eighteen juridical days.]

HB 329, AN ACT relating to bonds to finance industrial buildings for leasing by counties and cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 103.200 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 103.200 to 103.280, "industrial buildings" or "building" means any building or structure suitable for and intended for use as a factory, mill, shop, processing plant, assembly plant or fabricating plant, and [/or] the necessary operating machinery and equipment, *or any of these things,* to be rented or leased to an industrial concern by the city *or county* by which it is acquired.

Section 2. Section 103.210 of the Kentucky Revised Statutes is amended to read as follows:

In order to promote the reconversion to peacetime economy, to relieve the conditions of unemployment, to aid in the rehabilitation of returning veterans and to encourage the increase of industry in this state, any city *or county* may borrow money and issue negotiable bonds for the purpose of defraying the cost of acquiring any industrial building, either by purchase or construction, but only after an ordinance has been adopted by the legislative body of the city *or the fiscal court of the county, as the case may be,* specifying the proposed undertaking, the amount of bonds to be issued, and the maximum rate of interest the bonds are to bear. The ordinance shall further provide that the industrial building is to be acquired pursuant to the provisions of KRS 103.200 to 103.280.

Section 3. Section 103.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The bonds may be issued to bear interest at a rate not to exceed six percent per annum, payable either annually or semi-annually, and shall be executed in such manner and be payable at such times not exceeding twenty-five years from date thereof and at such place or places as the city legislative body *or the fiscal court of the county, as the case may be,* determines.

(2) The bonds may provide that they or any of them may be called for redemption prior to maturity, on interest payment dates not earlier than one year from the date of issuance of the bonds, at a price not exceeding 103 and accrued interest, under conditions fixed by the city legislative body *or the fiscal court of the county, as the case may be,* before issuing the bonds.

Section 4. Section 103.230 of the Kentucky Revised Statutes is amended to read as follows:

Bonds issued pursuant to KRS 103.200 to 103.280 shall be negotiable. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be such officer before delivery of the bonds, his signature or countersignature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until delivery. The bonds shall be sold in such manner and upon such terms as the city legislative body *or the fiscal court of the county, as the case may be,* deems best, or any contract for the acquisition of any industrial building may provide that payment shall be made in such bonds. In no event shall any bonds be negotiated on a basis to yield more than six percent, except as provided in subsection (2) of KRS 103.220. The bonds shall be payable solely from the revenue derived from the building, and shall not constitute an indebtedness of the city *or county* within the meaning of the Constitution. It shall be plainly stated on the face of each bond that it has been issued under the provisions of KRS 103.200 to 103.280 and that it does not constitute an indebtedness of the city *or county* within the meaning of the Constitution.

Section 5. Section 103.250 of the Kentucky Revised Statutes is amended to read as follows:

If there is any default in the payment of principal or interest of any bond, any court having jurisdiction of the action may appoint a receiver to administer the industrial building on behalf of the city *or county, as the case may be,* with power to charge and collect rents sufficient to provide for the payment of any bonds or obligations outstanding against the building, and for the payment of operating expenses, and to apply the income and revenue in conformity with KRS 103.200 to 103.280 and the ordinance referred to in KRS 103.210.

Section 6. Section 103.260 of the Kentucky Revised Statutes is amended to read as follows:

(1) At or before the issuance of bonds the city legislative body *or the fiscal court of the county, as the case may be,* shall, by ordinance, set aside and pledge the income and revenue of the industrial building into a separate and special fund to be used and applied in payment of the cost thereof and in the maintenance, operation and depreciation thereof. The ordinance shall definitely fix and determine the amount of revenue necessary to be set apart and applied to the payment of principal and interest of the bonds, and the proportion of the balance of the income and revenue to be set aside as a proper and adequate depreciation account, and the remaining proportion of such balance shall be set aside for the reasonable and proper operation and maintenance of industrial building.

(2) The rents to be charged for the use of the building shall be fixed and revised from time to time so as to be sufficient to provide for payment of interest upon all bonds and to create a sinking fund to pay the principal thereof when due, and to provide for the operation and maintenance of the building and an adequate depreciation account.

Section 7. Section 103.270 of the Kentucky Revised Statutes is amended to read as follows:

(1) If a surplus is accumulated in the operating and maintenance funds equal to the cost of maintaining and operating the industrial building during the remainder of the calendar, operating or fiscal year, and during the succeeding like year, any excess over such amount may be transferred at any time by the city legislative body, *or the fiscal court of the county, as the case may be,* to the depreciation account, to be used for improvements, extensions or additions to the building.

(2) The funds accumulating to the depreciation account shall be expended in balancing depreciation in the industrial building or in making new constructions, extensions or additions thereto. Any such accumulations may be invested as the city legislative body *or the fiscal court of the county, as the case may be,* may designate, and if invested the income from such investment shall be carried into the depreciation account.

Section 8. Section 103.280 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the city legislative body *or the fiscal court of the county, as the case may be,* finds that the bonds authorized will be insufficient to accomplish the purpose desired, additional bonds may be authorized and issued in the same manner.

(2) Any city *or county* acquiring any industrial building pursuant to the provisions of KRS 103.200 to 103.280 may, at the time of issuing the bonds for such acquisition, provide for additional bonds

for extensions and permanent improvements to be placed in escrow and to be negotiated from time to time as proceeds for that purpose may be necessary. Bonds placed in escrow shall, when negotiated, have equal standing with the bonds of the same issue.

(3) The city *or county* may issue new bonds to provide funds for the payment of any outstanding bonds, in accordance with the procedure prescribed by KRS 103.200 to 103.280. The new bonds shall be secured to the same extent and shall have the same source of payment as the bonds refunded.

Section 9. Section 103.285 of the Kentucky Revised Statutes is amended to read as follows:

All properties, both real and personal, which a city *or county* may acquire to be rented or leased to an industrial concern according to KRS 103.200 to 103.280, shall be exempt from taxation to the same extent as other public property used for public purposes, as long as the property is owned by the city *or county.*

HB 247, AN ACT relating to banks and trust companies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 287.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) Banks authorized under the laws of this state may, except as provided in subsection (2) of this section, exercise, only at their principal office, powers necessary to carry on the business of banking by discounting and negotiating notes, drafts, bills of exchange and other evidences of debt, and by purchasing bonds, receiving deposits and allowing interest thereon, buying and selling exchange, coin and bullion and lending money on personal or real security.

(2) Any corporation presently or hereafter engaged in the business of banking, and meeting the requirements of this subsection, may apply to the Commissioner of Banking for permission to establish, within the city in which its principal office is located and, subject to the limitation hereinafter imposed, within the county in which its principal office is located *or in an adjacent county,* in which there is no existing bank a branch at which all of the powers conferred in subsection (1) of this section may be exercised. Before the Commissioner of Banking shall approve or disapprove any application made under this subsection he shall ascertain and determine that the public convenience and advantage will be served and prompted thereby and that there is reasonable probability of the successful operation of such branch. No such branch shall be authorized or approved by the commissioner unless all of the following are complied with:

(a) No such corporation having a combined capital and surplus of less than $100,000 shall be permitted to establish any branch. Any corporation applying for permission to establish a branch shall, be required to have a minimum combined capital and surplus for each branch applied for in accordance with the following table:

If the principal office is located in:

1. An unincorporated area or in a city of 7,999 population or less $100,000
2. City with population of 8,000 to 19,999 $200,000
3. City with population of 19,999 and over one branch may be authorized for every $250,000 of capital and surplus.

Said population is to be determined by the last census or any future census of the United States.

(b) No such corporation shall be permitted to establish a branch in any incorporated city, other than in the city in which its principal office is located *or in any adjacent county,* in which there is an existing bank. Nor shall any such corporation be permitted to establish a branch in any unincorporated area within a radius of one mile of an existing bank located in such unincorporated area. As used in this subsection, an "existing bank" shall mean the principal office of a bank as distinguished from a branch thereof.

(c) The permission to open a branch shall lapse at the end of six months unless it shall have been opened and business actually begun in good faith. For reasons determined by the Commissioner of Banking to be sufficient said permission to open a branch may, with the approval of the commissioner, be extended for one six month's period.

(3) Any corporation which on January 1, 1954, was engaged in operating an agency or branch bank, may continue to retain and operate the same under the general banking laws, and the requirements set forth in this section in respect to capital shall not apply to any such existing agency or branch bank but only as to those agencies or branch banks which may be established in the future pursuant to the terms of this section.

(4) The provisions of this section shall not be construed to prohibit the merger of banks in the same county and the operation by the merged corporation of such banks, nor to prohibit the sale of any bank to, and the purchase thereof by, any other bank in the same county and the operation of such bank by the purchasing bank as a branch, provided the Commissioner of Banking shall determine that the public convenience and necessity will be served by such operation, and provided further that, at the time of such merger or purchase, each of the banks involved shall have been in operation for a period of five years or more.

(5) Any national banking association or any state bank member of the Federal Reserve System whose principal office is located in this state is hereby authorized to do all things and perform all acts which state banks are permitted to do or perform under this section, subject to the conditions and restrictions provided for banks as to exercise of such powers.

(6) When a branch or agency bank has once been established any operation thereof shall not be discontinued, and said branch or agency bank shall not be closed until after ninety days notice in writing to the commissioner. In the discretion of the commissioner said branch or agency bank proposing to discontinue operation may be required to give notice of the date when such operation will cease.

SB 301, AN ACT relating to civil service employment in cities of the second and third class.

WHEREAS, the cities of the second class find it necessary to recruit employes who are not then residents of the city, and

WHEREAS, the increase on examination marks of veterans should apply to applicants who are veterans but not residents of the city at the time of their application and examination.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 90.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) The civil service commission shall prescribe and propound such examinations as may be proper, commensurate with vacant positions within the various departments of the city, according to classification prescribed by ordinance, shall set such times and places for holding examinations as may be proper and shall give public notice of examinations at least ten days in advance by causing a notice to be printed once in the official newspaper, containing all facts appertaining thereto.

(2) The civil service commission shall, as soon after examinations as is practicable, certify to the mayor or other appointing authority a list of the applicants so examined, with the one having the highest average ranked first and all others ranked numerically according to the result of the examination.

(3) Every soldier, sailor, marine, members of the air forces, army nurses corps and members of other branches of the military service and Red Cross nurses who served during the period of hostilities between the United States and the Central Powers in World War I and between the United States and Japan and Germany

in World War II, who has been honorably discharged, [is a resident voter of the city] and who is an applicant for any position of civil service of that city shall be entitled to five percent increase on his examination mark.

(4) The civil service commission of cities of the second class shall maintain an eligible list of not less than three for each position to be filled.

HB 60, AN ACT relating to motor vehicle license plates.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) The Commissioner of Revenue may issue special number plates to applicants therefor in the same manner as other motor vehicle of private passenger car design number plates are issued pursuant to KRS Chapter 186.

(2) Special number plates shall be issued only upon payment of a service charge of ten dollars in addition to the regular fee prescribed in KRS Chapter 186. The service charge shall apply to annual renewals of registrations for which special number plates have been issued.

(3) For purposes of this section a special number plate shall be a plate which contains not more than five letters, or combination of six letters and numerals, and which is reserved by the commissioner for issuance in accordance with the provisions of this section.

(4) The holder of a special number plate shall retain the particular letters, numerals or combinations thereof issued him. The holder of a special number plate shall not be required to surrender his number plate upon a transfer of the vehicle bearing the special number plate.

(5) The revenue received from the issuance of such special license plates shall be used as follows:

(a) The first $225,000 collected annually shall be used to pay the additional cost of reflectorized license plates.

(b) The amount over $225,000 collected annually shall be divided equally among all counties of the Commonwealth for construction, reconstruction and maintenance of rural roads.

SB 200, AN ACT relating to condemnation of property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 416.115 of the Kentucky Revised Statutes is amended to read as follows:

Alternate method of condemnation by state or county or city. (1) The Commonwealth of Kentucky, Department of Highways, (counties and municipalities) when condemning land and materials for the construction and improvements of public roads and bridges; *counties and municipalities* when condemning land and materials, within or without their territorial limits, *for any public purpose* are hereby given the right to proceed as authorized in KRS 416.120 and KRS 416.230 to and including KRS 416.310.

(2) Such procedures shall be additional and alternative methods of condemnation to that provided in KRS 416.010 to 416.080.

HB 264, AN ACT relating to the State Police.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) Any person who left the state police or its predecessor in order to enter the armed forces of the United States and who is re-employed by the state police after the effective date of the system shall be entitled to have credited as service his period of service in such armed forces, not to exceed six years, provided he applies for reinstatement within three months of discharge, which must be honorable, or within three months of a subsequent termination of any total disability, and, subject to the approval of the state police personnel board, is re-employed, KRS 61.370 to the contrary notwithstanding.

(2) Any person who [left the state police or its predecessor] prior to the effective date of the system *left the state police or its predecessor* in order to enter the armed forces of the United States [,] and who was re-employed [within one year] after his honorable discharge therefrom *prior to the effective date of the system* [, or upon the subsequent termination of any total disability which existed at the expiration of said year after discharge,] shall be entitled to have credited as service his period of service in the armed forces, not to exceed six years.

SB 174, AN ACT relating to newspaper publication of election ballots.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 424.290 of the Kentucky Revised Statutes is amended to read as follows:

(1) Not less than three days before any primary or regular election the county court clerk shall cause to be published in a newspaper a *copy* [facsimile] of the ballot or ballots, or when voting machines are to be used, of the face of the voting machines [showing the ballot labels in place]. Where the ballots or voting machine faces differ for various precincts within the county, a *copy* [facsimile]

of each different ballot or voting machine face shall be published, with appropriate identification. The cost of publication shall be paid by the county, except that the cost of publishing any ballot or voting machine face that is limited to a city election or a district election other than a school district election, shall be paid by the city or the district as the case may be.

(2) "Copy", as used in (1), means a summary of a ballot or voting machine face showing all the pertinent information that will appear on a particular ballot or voting machine face.

HB 74, AN ACT relating to procedure in criminal cases.

PREAMBLE

The Criminal Code Committee, established by the General Assembly for the purpose of improving criminal procedure in the courts of the Commonwealth, having reported its recommendations to the Legislative Research Commission, the Commission having approved the recommendations and formulated plans for their execution, and the Court of Appeals being in accord with these plans, the General Assembly establishes this revised procedure in criminal cases, doing so on the following principle, finding and declaration of policy and purpose:

The Constitution of the Commonwealth of Kentucky vests the judicial power of the Commonwealth, except impeachment, in the Court of Appeals and the constitutional courts, and in prohibiting the establishment of other courts, manifest an intention to vest this power in the Judicial Department more exclusively than was indicated by the previous constitution; and it is recognized that the vesting of judicial power carries with it the authority to regulate judicial proceedings where the Constitution does not specifically authorize the exercise of some part of that power by another department;

The General Assembly finds that, although rules developed under the third constitution by the legislature have governed criminal proceedings as a matter of comity on the part of the courts since that time, the administration of civil justice under rules of procedure promulgated by the Judicial Department subsequent to revision of civil procedure in 1952 has demonstrated the merit of having procedural rules promulgated by the department responsible for their proper functioning;

It is therefore declared to be the policy of the General Assembly, insofar as the Legislative Department is empowered to express policy on matters of judicial procedure, that prescription of rules governing details of procedure will be left to the discretion of the Judicial Department after the effective date of this Act; and

It is further declared that the purpose of this Act is to abolish the Code of Practice in Criminal Cases, and to put in statute form provisions of that code relating to subjects not properly within the scope of judicial rule-making, and to revise those and related statutes so as to reflect current legislative policy in matters governed by them; to prescribe a better expression of current legislative policy for those matters in which both legislative and judicial discretion are involved; and to complement this purpose by prescribing a set of revised procedural rules consistent with that purpose for the governance of criminal proceedings, but subject to the rule-making authority of the Court of Appeals.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 0. The rules in this section are prescribed in accordance with the principle, finding and declaration contained in the preamble of this Act, and with modifications thereof shall be known as the Rules of Criminal Procedure, and may be cited by the abbreviation, "RCr" or by the full title.

RULES OF CRIMINAL PROCEDURE

General Provisions

Rule 1.02. Scope and Application. The Rules of Criminal Procedure govern the procedure in the courts of the Commonwealth of Kentucky in all criminal proceedings.

Rule 1.04. Purpose and Construction. The Rules of Criminal Procedure are intended to provide for a just determination of every criminal proceeding. They shall be construed to secure simplicity in procedure, fairness in administration and the elimination of unjustifiable expense and delay.

Rule 1.06. Definitions. As used in these rules, unless the context requires otherwise:

(a) "Magistrate" includes any judicial officer performing judicial functions authorized by law;

(b) "Attorney for the Commonwealth" includes the Attorney General, the Commonwealth's attorney, the court attorney, a city attorney or city prosecuting attorney, exercising functions assigned to them by law, and an authorized assistant of any of them.

Rule 1.08. Papers; Filing and Service. Where the Rules of Criminal Procedure do not specifically prescribe the manner of filing and service of papers, the Rules of Civil Procedure governing such matters shall apply.

Rule 1.10. Time. The provisions of the Rules of Civil Procedure as to Time shall apply to the procedures in the Rules of Criminal

Procedure where the latter rules do not specifically provide otherwise. The time shall not be extended for a motion for a new trial, a motion in arrest of judgment, the period for filing the record on appeal, except as provided, or the period for taking an appeal.

Arrest

Rule 2.02. Complaint. The complaint is a written statement of the essential facts constituting the offense charged. It shall be made upon oath and signed by the complaining party before a magistrate.

Rule 2.04. Warrant or Summons; Issuance. (1) If from an examination of the complaint it appears to the magistrate that there is probable cause to believe that an offense has been committed and that the defendant committed it, a warrant shall issue for the arrest of the defendant.

(2) A summons may issue instead of a warrant if the magistrate has reasonable grounds to believe that the defendant will appear in response thereto, or if the defendant is a corporation.

(3) If a defendant who has been duly summoned fails to appear, or if there is probable cause to believe that he will fail to appear, a warrant of arrest shall issue.

(4) More than one warrant or summons may issue on the same complaint.

Rule 2.06. Warrant or Summons; Requisites. (1) A warrant of arrest shall be in writing and in the name of the Commonwealth, shall be signed by the magistrate with the title of his office and shall state the date when issued and the municipality or county where issued. It shall name or describe the offense charged to have been committed, specify the name of the defendant, or, if his name is unknown, any name or description by which he can be identified with reasonable certainty and the name of the complaining party or parties. The warrant shall be directed to all peace officers in the Commonwealth and shall direct that the defendant be arrested and brought before the magistrate issuing it or, if he is absent or unable to act, before the nearest available magistrate.

(2) A summons shall be in the same form as a warrant except that it shall summon the defendant to appear before the magistrate issuing it at a stated time and place.

Rule 2.08. Defective Warrant, Summons or Citation. (1) No person arrested under a warrant or appearing in response to a summons or citation shall be discharged from custody or dismissed because of any defect of form in the warrant or summons, but the warrant or summons may be amended so as to remedy any such defect.

(2) If during the preliminary hearing or trial of any person arrested under a warrant, or appearing in response to a summons or

citation it appears that the warrant, summons or citation does not properly name or describe the defendant, or the offense with which he is charged, or that although not guilty of the offense specified in the warrant, summons or citation, there is probable cause to believe that he is guilty of some other offense, the magistrate shall not discharge or dismiss the defendant but shall forthwith cause a new complaint to be filed and shall thereupon issue a new warrant or summons.

Rule 2.10. Warrant and Summons; Execution and Service. (1) A warrant of arrest may be executed by any peace officer. The officer need not have the warrant in his possession at the time of arrest, but in that event he shall inform the defendant of the offense charged and the fact that a warrant has been issued, and upon request show the warrant, or a copy of it, to the defendant as soon as possible.

(2) A summons may be served by any peace officer. It shall be served upon a defendant by delivering a copy to him personally, or by leaving it at his dwelling house or usual place of abode with some person of suitable age and discretion then residing therein.

(3) A summons to a corporation shall be served by delivering a copy to an officer or managing or general agent or to any other agent authorized by appointment or by law to receive process.

Rule 2.12. Warrant or Summons; Return. (1) The officer executing a warrant shall make return thereof to the magistrate before whom the defendant is brought.

(2) The officer serving a summons shall make return thereof to the magistrate before whom the summons is returnable on or before the day named therein for the appearance of defendant. If the summons is served in a county other than that in which it was issued, the return may be made by mail.

Rule 2.14. Right to Contact Attorney. (1) A person arrested and in jail shall have the right to make immediate communications for the purpose of securing the services of an attorney.

(2) Any attorney-at-law entitled to practice in the courts of this Commonwealth shall, at the request of the person arrested, or of some one acting in his behalf, be permitted to visit the person arrested.

Proceedings Before the Magistrate

Rule 3.02. Appearance before the Magistrate. (1) An officer making an arrest under a warrant issued upon a complaint shall take the arrested person without unnecessary delay before a magistrate as commanded in the warrant. If the arrest is made in a county other than that in which the warrant was issued and the arrested person is not taken as commanded in the warrant, he shall be taken before a magistrate of the county in which the arrest is made, who shall admit him to bail for his appearance before the proper magistrate to whom the bail bond and other papers may be transmitted by mail. If the offense is non-bailable, or if the person arrested is unable to give bail, the magistrate shall commit him to jail and he shall be taken as commanded in the warrant within a reasonable time by an officer of the county in which it was issued.

(2) Any person making an arrest without a warrant shall take the arrested person without unnecessary delay before a magistrate. If the magistrate before whom the arrested person is taken is in a county other than the county in which the offense was committed, the magistrate shall proceed as directed in subsection (1) as on an arrest under warrant in a county other than that in which the warrant was issued.

Rule 3.04. Trial or Preliminary Hearing. When a person is brought or appears before a magistrate having jurisdiction of the offense charged he shall proceed with the trial. If the magistrate does not have jurisdiction of the offense charged but does have jurisdiction to hold a preliminary hearing, he shall proceed to hold the preliminary hearing. If the magistrate does not have jurisdiction to either try the case or hold the preliminary hearing, he shall order the defendant to be taken before a court of competent jurisdiction for further proceedings and may admit him to bail for his appearance before that court, if the offense is bailable, or commit the defendant to jail to await the trial or preliminary hearing.

Rule 3.06. Bail for Good Behavior. (1) If there are reasonable grounds to believe that the release of a defendant would endanger persons or property, the magistrate shall require bail in any sum deemed reasonable, to keep the peace and for his good behavior for the period of one year.

(2) The applicable provisions governing bail shall apply to bail for good behavior.

Rule 3.08. Statement of Magistrate. The magistrate shall inform the defendant of the charge against him, of his right to have a preliminary hearing or a trial. The defendant shall also be informed that he is not required to make a statement and that any statement made by him may be used against him. The magistrate shall notify the attorney for the Commonwealth, allow the defendant reasonable time and opportunity to consult counsel, and admit the defendant to bail if the offense is bailable.

Rule 3.10. Preliminary Hearing; Waiver. (1) The defendant may waive a preliminary hearing.

(2) Notwithstanding waiver of the preliminary hearing, the magistrate shall on demand of the attorney for the Commonwealth permit examination of the witnesses for the Commonwealth. The de-

fendant may cross examine the witnesses offered by the Commonwealth.

Rule 3.12. Transfer of Defendant to Another County. If it appears from either the complaint or evidence introduced at the hearing that the offense was committed in a county other than that in which the hearing or trial is being held, the magistrate may admit the defendant to bail for his appearance before the proper magistrate of the county in which the offense was committed on a day named in the bond, if the offense is bailable, or shall commit the defendant to jail to await his transfer within a reasonable time to the county in which the offense was committed by a peace officer of that county. The bond and other papers may be transmitted by mail to the magistrate before whom the defendant is bound to appear.

Rule 3.14. Decision after Hearing. If the defendant waives the preliminary hearing or if from the evidence it appears to the magistrate that there is probable cause to believe that an offense has been committed and that the defendant committed it, the magistrate shall hold him to answer in the circuit court and commit him to jail or admit him to bail, if the offense is bailable; otherwise, he shall be discharged.

Rule 3.16. Minutes and Transcript of Testimony. The magistrate shall keep minutes of all proceedings of the preliminary hearing, which shall include the name, address and substance of the testimony of each witness. When the Commonwealth demands an examination of its witnesses full stenographic notes shall be made of the testimony. A copy of the minutes or a transcript of the testimony of witnesses for the Commonwealth shall be furnished to either party upon request and payment therefor.

Rule 3.18. Order of Commitment, Bail. If the defendant is committed to jail, the magistrate shall make out a written order of commitment, signed by him, which shall be delivered to the jailer by the peace officer who executes the order of commitment. If the offense is bailable, the magistrate must fix the sum for which bail is to be given and enter it upon the order of commitment. Thereafter, the bail shall be taken by the clerk of the court in which the defendant is held to appear.

Rule 3.20. Recognizance of Witnesses. When the defendant has been held to answer the charge the magistrate shall cause each of the material witnesses on behalf of the Commonwealth and, at the defendant's request, each of such witnesses for him as he may suggest, to enter into a recognizance before him, to the effect that he will attend and testify in the court to which the defendant has been held to answer, or forfeit a sum not less than one hundred dollars to the Commonwealth of Kentucky. If witnesses for the defendants are recognized, it shall be stated in the recognizance that they are such.

Rule 3.22. Transmission of papers. If at the conclusion of the preliminary hearing the defendant is held to answer, the magistrate shall transmit all papers in the proceedings and any bail taken by him to the clerk of the court to which the defendant has been held.

Bail

Rule 4.02. Application for Bail. Unless made in open court, the application for bail shall be in writing, signed by the defendant or his counsel, stating the name of the defendant, the offense for which he is committed and the name, occupation, and residence of the proposed surety or sureties, and, if a bonding company, the name and address of the local agent.

Rule 4.04. Burden of Proof in Capital Cases. On the hearing of an application for admission to bail made before or after indictment for a capital offense, the burden of showing that the proof is evident or the presumption great that the defendant is guilty of the offense is on the Commonwealth.

Rule 4.06. Amount of Bail. If the defendant is admitted to bail, the amount thereof shall be such as in the judgment of the court will insure compliance with the terms of the bond, having regard to the ability of the defendant to give bail, the nature and circumstances of the offense charged, the weight of the evidence against him, the character and reputation of the defendant and the probability of the defendant's complying with the terms of the bond.

Rule 4.08. Qualification and Justification of Sureties. Each surety, except a corporate surety which is approved as provided by law, shall be a resident or owner of real estate within the Commonwealth and shall justify his sufficiency by affidavit in which he shall describe the property by which he proposes to justify his sufficiency, the encumbrances thereon and the number and amount of other bonds and undertakings for bail entered into by him and remaining undischarged. No bond shall be approved unless the surety thereon appears to be qualified.

Rule 4.10. Persons Not Qualified as Surety. No attorney-at-law, sheriff, deputy sheriff, judge, magistrate, clerk, deputy clerk or master commissioner shall be taken as surety on any bail bond.

Rule 4.12. Sufficiency of Sureties. If there is only one surety he shall be worth the amount specified in the bond exclusive of the amount of any other undertaking on which he may be principal or surety, and exclusive of property exempt from execution and over and above liabilities. If there are several sureties they shall in the aggregate be worth that amount exclusive of the amount of other undertakings, and of the exemptions and liabilities mentioned above.

Rule 4.14. Continuation of Bail. Bail taken at any stage of the proceedings shall continue in effect to insure the appearance of the defendant for any and all purposes at all stages of the proceedings unless increased, decreased or otherwise modified by the court in which the charge is pending.

Rule 4.16. Defects in Bond or Recognizance. (1) Neither a bail bond nor a recognizance shall be invalid because of any defects of form, omission, recital, or condition, or because of any other irregularity, provided the official before whom it was entered into was legally authorized to take it, the amount of bail is stated, and it can be ascertained therefrom before which magistrate or court the principal is bound to appear.

(2) If no day is fixed for the appearance of the defendant, or an impossible day, or a day in vacation, the bond or recognizance, if for a preliminary hearing, shall bind the defendant to appear within ten days from the time it is given; if for a trial, shall bind the defendant to appear on the first day of the term of court which commences more than ten days from the time it is given.

Rule 4.18. Deposit of Money or Bonds as Bail. Whenever the defendant is admitted to bail in a specified sum, he, or another in his behalf, may deposit said sum of money or nonregistered bonds of the United States or this Commonwealth equal in market value to the specified sum, together with his personal undertaking and the undertaking of such other person, if the money or bonds are deposited by another, with the court in which he is held to appear, and take a certificate of such deposit. After bail has been taken a deposit may, in like manner, be made, which shall exonerate the surety or sureties.

Rule 4.20. Custody of Deposits. Money deposited as bail shall be held in accordance with KRS 41.300. Bonds deposited as bail shall be kept in the custody of the clerk of the court. Money and bonds so deposited shall be paid or delivered according to the orders of the court in which the prosecution is pending.

Rule 4.22. Application of Deposit to Fine or Costs. Upon a final judgment's being rendered against the defendant for a fine and costs, or either, in the prosecution of a cause in which money has been deposited as bail by the defendant himself, if the money still remains on deposit and unforfeited, and such fine and costs, or either, have not been paid, such money, or so much thereof as may be necessary, shall be applied to the payment of such fine and costs, or either.

Rule 4.24. Surrender of Principal; Exoneration. (1) At any time before the forfeiture of the bail any surety may procure a certified copy of the bail bond which shall authorize him or any peace officer to whom it is presented to arrest the principal in any county within the Commonwealth and deliver him and the certified copy of the bail bond to the jailer in the county in which the prosecution is pending. The jailer shall acknowledge the surrender in writing.

(2) Upon presentation of the writing executed by the jailer, the court before which the defendant has been held to answer shall, after five days' notice to the county attorney, order that the surety or sureties be exonerated from liability on the bond or recognizance and that any money or bonds that have been deposited as bail be returned to the person making the deposit.

Rule 4.26. Forfeiture of Bail. (1) If there is a breach of condition of a bond, the court shall declare a forfeiture of the bail, or the money or bonds deposited in lieu thereof, which forfeiture shall be noted on the record and endorsed on the bond, which endorsement shall be sufficient evidence of the forfeiture of the bail.

(2) If the declaration of forfeiture is made by an inferior court and the amount of bail is beyond its jurisdiction, or a lien on real estate is involved, the bond shall be filed with the clerk of the circuit court of the county.

(3) The court may direct that a forfeiture be set aside, upon such conditions as the court may impose, if it appears that justice does not require the enforcement of the forfeiture.

Rule 4.28. Judgment against Surety. (1) When a forfeiture has not been set aside, the court shall on motion enter a judgment of default and execution may issue thereon. By entering into a bail bond or recognizance the obligors submit to the jurisdiction of the court in which it was executed or in which it was filed after forfeiture and irrevocably appoint the clerk of the court as their agent upon whom any papers affecting their liability may be served. Liability may be enforced on motion without the necessity of an independent action. The motion and such notice of the motion as the court prescribes may be served on the clerk of the court, who shall forthwith mail copies to the obligors at their last known addresses.

(2) After entry of judgment, the court for sufficient cause may remit the sum specified in the bail bond in whole or in part.

Rule 4.30. Order of Arrest of Principal. The court shall enter an order directing the arrest of the principal:

(1) When there has been a breach of a condition of the bond;

(2) Upon a forfeiture;

(3) When the court is satisfied that there is an insufficiency of sureties; and

(4) Upon the principal's being indicted for an offense which is not bailable.

Grand Jury

Rule 5.02. Charge to Grand Jury. The court shall swear the grand jurors and charge them to inquire into every offense for which any person has been held to answer and for which an indictment or information has not been filed, or other offenses which come to their attention or of which any of them has knowledge. The court shall further instruct the grand jurors concerning inspections and reports which are required of them by law.

Rule 5.04. Foreman; Oath to Witnesses. The court shall appoint one of the grand jurors to be foreman who shall administer an oath or affirmation to each witness who testifies before the grand jury.

Rule 5.06. Attendance of Witnesses. The circuit clerk, upon request of the foreman of the grand jury, or of the attorney for the Commonwealth, made during a term of court or in vacation, shall issue subpoenas for witnesses. The attendance of witnesses may be coerced as in other judicial proceedings.

Rule 5.08. Evidence for Defendant. The grand jurors are under no duty to hear evidence for the defendant, but may do so.

Rule 5.10. Evidence Supporting Indictment. The grand jurors shall find an indictment where they have received what they believe to be sufficient competent evidence to support it, but no indictment shall be quashed or judgment of conviction reversed on the ground that there was not sufficient competent evidence to support the indictment.

Rule 5.12. Compelling Testimony. When a witness before the grand jury refuses to testify or to answer a question put to him, the foreman shall state the refusal to the court in the presence of the witness. After hearing the witness, if the court decides that he is bound to testify or answer and he persists in his refusal, the court shall proceed against the witness as in cases of similar refusal in open court.

Rule 5.14. Duties of Prosecuting Attorney. (1) The attorney for the Commonwealth, or his assistant, designated by him, shall attend the grand jurors when requested by them, and he may do so on his own motion, for the purpose of examining witnesses in their presence, or of giving the grand jurors legal advice regarding any matter cognizable by them. He shall also, when requested by them, draft indictments.

(2) The grand jurors may at any time question witnesses in a closed session.

Rule 5.16. Transcript of Testimony. (1) The attorney for the Commonwealth may appoint a stenographer to take in shorthand the testimony of witnesses or he may cause the testimony to be taken by a recording device, but the record so made shall include the testimony of all witnesses on that particular investigation. The shorthand notes or the recordings and transcript of the same, if any, shall be delivered to and retained by the attorney for the Commonwealth.

(2) The stenographer and any typist who transcribes the stenographer's notes or recordings shall be sworn by the foreman not to disclose any testimony or the names of any witnesses except to the attorney for the Commonwealth or when testifying in court, and except that any person indicted by the grand jury shall have a right to procure a transcript of any stenographic notes or recordings or any part thereof by paying the prescribed fee therefor.

Rule 5.18. Presence of Other Persons with Grand Jury. No person except the attorney for the Commonwealth, or his assistant, designated by him, a stenographer appointed by him, the witness under examination, and an interpreter, if needed, shall be present during sessions of the grand jury. No person shall be present while the grand jurors are deliberating or voting. Any person violating either of these prohibitions may be held in contempt of court.

Rule 5.20. Return of Indictment. The indictment shall be returned by the foreman in the presence of the grand jury to the judge in open court, filed with the clerk of the court and remain in his office as a public record.

Rule 5.22. Procedure upon Failure to Indict. (1) If the defendant has been held to answer and the votes of the grand jurors are insufficient in number to find an indictment, the foreman shall so report to the court in writing forthwith. The court shall order a discharge of the defendant, exoneration of the bail or a refund of any money or bonds deposited in lieu of bail as the case may be.

(2) The failure of the grand jury to return an indictment does not prevent the charge from being submitted to another grand jury.

Rule 5.24. Secrecy of Proceedings; Disclosure. Each grand juror shall keep secret the proceedings of the grand jury and the testimony given before it, except that he may be required by the court to disclose the testimony of a witness examined for the purpose of ascertaining its consistency with the testimony given by the witness on the trial, or for the purpose of proceeding against the witness for perjury or false swearing; and it shall be the duty of the foreman of the grand jury to communicate to the attorney for the Commonwealth, when requested, the substance of the testimony before them.

Indictment and Information

Rule 6.02. Use of Indictment and Information. All offenses, except those required by law to be prosecuted by indictment, may be prosecuted by information.

Rule 6.04. Information. The attorney for the Commonwealth may file an information charging the commission of an offense either upon his own knowledge, information, and belief, or in his discretion upon the basis of a verified complaint submitted to him.

Rule 6.06. Signatures. All indictments shall be signed by the foreman of the grand jury. All informations shall be signed by an attorney for the Commonwealth. No objection to an indictment or information on the ground that it was not signed as herein required may be made after a plea to the merits has been filed or entered.

Rule 6.08. Names of Witnesses. The names of all the witnesses who were examined shall be endorsed on the indictment. The names of all persons upon whose statements the information is based shall be endorsed thereon. Failure to endorse the names shall not affect the validity or sufficiency of the indictment or information, but the court, on motion of the defendant, shall direct the names to be endorsed, and may grant such continuance of the case as it deems necessary in the interest of justice.

Rule 6.10. Requisites of Indictment or Information. (1) The indictment or information shall contain a caption setting forth the name of the court and the names of the parties.

(2) The indictment or information shall contain, and shall be sufficient if it contains a plain, concise and definite statement of the essential facts constituting the specific offense with which the defendant is charged. It need not contain any other matter not necessary to such statement, nor need it negative any exception, excuse or proviso contained in any statute creating or defining the offense charged.

(3) Allegations made in one count may be incorporated by a reference in another count. It may be alleged in any count that the means by which the defendant committed the offense are unknown or that he committed it by one or more specified means. The indictment or information shall state for each count the official or customary citation or any applicable statute, rule, regulation or other provision of law which the defendant is alleged therein to have violated; but error in the citation or its omission shall not be ground for dismissal of the indictment or information or for reversal of a conviction if the error or omission did not mislead the defendant to his prejudice.

(4) The indictment or information shall contain a formal conclusion.

Rule 6.12. Effects of Defects. An indictment or information shall not be deemed invalid, nor shall the trial, judgment or other proceedings thereon be stayed, arrested or in any manner affected for any defect or imperfection which does not tend to prejudice the substantial rights of the defendant upon the merits.

Rule 6.14. Surplusage. Unnecessary allegations may be disregarded as surplusage, and on motion of the defendant may be stricken from the indictment or information by the court.

Rule 6.16. Amendment. The court may permit an indictment or information to be amended any time before verdict or finding if no additional or different offense is charged and if substantial rights of the defendant are not prejudiced.

Rule 6.18. Joinder of Offenses. Two or more offenses may be charged in the same information or two or more offenses whether felonies or misdemeanors, or both, may be charged in the same indictment, in a separate count for each offense, if the offenses are of the same or similar character or are based on the same acts or transactions connected together or constituting parts of a common scheme or plan.

Rule 6.20. Joinder of Defendants. Two or more defendants may be charged in the same indictment or information if they are alleged to have participated in the same act or transaction or in the same series of acts or transactions constituting an offense or offenses. Such defendants may be charged in one or more counts together or separately and all of the defendants need not be charged in each count.

Rule 6.22. Bill of Particulars. The court for cause shall direct the filing of a bill of particulars. A motion for such bill may be made at any time prior to arraignment, or thereafter in the discretion of the court. A bill of particulars may be amended at any time subject to such conditions as justice requires.

Rule 6.52. Warrant or Summons upon Indictment or Information; Issuance. Upon the request of the attorney for the Commonwealth the court shall direct the clerk to issue a warrant for each defendant named in the indictment or information. The clerk shall issue a summons instead of a warrant upon the request of the attorney for the Commonwealth or on direction of the court. Upon request of the attorney for the Commonwealth, the clerk shall issue more than one warrant or summons for the same defendant. He shall deliver the warrant or summons to a peace officer for execution or service. If a defendant fails to appear in response to the summons, a warrant shall issue.

Rule 6.54. Warrant or Summons; Requisites. (1) The requisites of a warrant on an indictment or information shall be the same as for a warrant issued on a complaint except that it shall be signed by the clerk, it shall name or describe the offense charged in the indictment or information, and it shall command that the defendant be arrested and brought before the court. If the offense is bailable and the warrant is issued at the discretion of a circuit judge, the amount of bail shall be fixed by the court and endorsed thereon, and the bail so endorsed may be taken by the clerk.

(2) The summons shall be in the same form as the warrant except that it shall summon the defendant to appear before the court at a stated time and place.

Rule 6.56. Warrant or Summons; Execution or Service and Return. (1) The warrant shall be executed or the summons served as provided for the execution of warrants or the service of summons issued upon complaints.

(2) The return of the warrant or summons shall be made to the court issuing it.

Production of Evidence

Rule 7.02. Subpoenas. Upon the request of the attorney for the Commonwealth or the defendant or his attorney, the clerk of the court shall issue subpoenas.

Rule 7.04. Attendance of Witnesses. The provisions of the Rules of Civil Procedure shall apply to and govern the summoning and coercing the attendance of witnesses, and compelling them to testify in all criminal proceedings, except that the attendance of witnesses residing in any part of the Commonwealth may be coerced, and it shall not be necessary to tender to the witnesses any compensation for expenses, or otherwise, before process of contempt shall issue.

Rule 7.06. Bail for Material Witness. If it appears by affidavit that the testimony of a person is material in any criminal proceeding and that it may become impracticable to secure his attendance by subpoena, the court may require him to give bail for his appearance as a witness in an amount fixed by the court. If he fails to give bail, the court may commit him to custody pending final disposition of the proceeding in which the testimony is needed, may order his release if he has been detained for an unreasonable length of time and may modify at any time the requirement as to bail.

Rule 7.08. Documentary Evidence. A subpoena may command the person to whom it is directed to produce the books, papers, documents, or tangible things designated therein; but the court, upon motion made promptly and in any event at or before the time specified in the subpoena for compliance therewith, may quash or modify the subpoena if it is unreasonable or oppressive. The Rules of Civil Procedure shall govern coercion of production of documentary evidence.

Rule 7.10. Grounds for Taking Depositions. (1) If it appears that a prospective witness may be unable to attend or prevented from attending a trial or hearing or is or may become a non-resident of the Commonwealth, that his testimony is material and that it is necessary to take his deposition in order to prevent a failure of justice, the court at any time after the preliminary hearing or the filing of the indictment or the information may upon motion and notice to the parties order that his testimony be taken by deposition and that any designated books, papers, documents, or tangible objects, not privileged, be produced at the same time and place.

(2) If a witness is committed for failure to give bail to appear to testify at a trial or hearing, the court on written motion of the witness and upon notice to the parties may direct that his deposition be taken at the expense of the Commonwealth. After the deposition has been subscribed the court may discharge the witness.

Rule 7.22. Discovery and Inspection. Upon motion of a defendant, the court may order the attorney for the Commonwealth to permit the defendant or his attorney to inspect and copy or photograph designated books, papers, documents or tangible objects obtained from or belonging to the defendant or obtained from others by seizure or by process, upon a showing that the items sought may be material to the preparation of his defense and that the request is reasonable. The order shall specify the time, place and manner of making the inspection and of taking the copies or photographs and may prescribe such terms and conditions as are just.

Arraignment and Pleadings

Rule 8.02. Arraignment. Arraignment shall be conducted in open court and shall consist of reading the indictment or information to the defendant or stating to him the substance of the charge and calling upon him to plead thereto. He shall be given a copy of the indictment or information before he is called upon to plead. Defendants who are jointly charged may be arraigned separately or together in the discretion of the court.

Rule 8.04. Assignment of Counsel. If on arraignment or thereafter, in felony cases, the defendant appears in court without counsel, the court shall advise him of his right to counsel, and shall assign counsel to represent him at every stage of the proceedings unless he elects to proceed without counsel or is able to obtain counsel.

Rule 8.06. Insanity. If upon arraignment or during the proceedings there are reasonable grounds to believe that the defendant is insane, the proceedings shall be postponed and the issue of sanity determined as provided by law. If the defendant is found to be insane, the court shall direct that he be confined in a mental institution until his mind is restored at which time he shall be returned to the court for further proceedings.

Rule 8.08. Pleas. A defendant may plead not guilty or guilty. The court may refuse to accept a plea of guilty, and shall not accept the plea without first determining that the plea is made voluntarily with understanding of the nature of the charge. If a defendant refuses to plead or if the court refuses to accept a plea of guilty or if a defendant corporation fails to appear, the court shall enter a plea of not guilty.

Rule 8.10. Withdrawal of Plea. At any time before judgment the court may permit the plea of guilty to be withdrawn and a plea of not guilty substituted.

Rule 8.12. Pleadings. Pleadings in criminal proceedings shall be the indictment or the information, and the plea of guilty or not guilty. No other plea, demurrer, or motion to quash shall be used, and defenses and objections which before the effective date of these rules could have been raised by one or more of them shall be raised only by motion to discuss or to grant appropriate relief.

Rule 8.14. Motions. An application to the court for an order shall be by motion which shall be in writing unless made during a hearing or trial, shall state with particularity the grounds therefor, and shall set forth the relief or order sought.

Rule 8.16. Defenses Which May Be Raised by Motion. Any defense or objection which is capable of determination without the trial of the general issue may be raised before trial by motion.

Rule 8.18. Defenses Which Must Be Raised by Motion. Defenses and objections based on defects in the institution of the prosecution or in the indictment or information other than that it fails to show jurisdiction in the court or to charge an offense may be raised only by motion before trial. The motion shall include all such defenses and objections then available to the defendant. Failure to present any such defense or objection as herein provided constitutes a waiver thereof, but the court for cause shown may grant relief from the waiver. Lack of jurisdiction or the failure of the indictment or information to charge an offense shall be noticed by the court at any time during the proceedings.

Rule 8.20. Time of Making Motion. The motion raising defenses or objections shall be made before the plea is entered, but the court may permit it to be made within a reasonable time thereafter without withdrawal of the plea.

Rule 8.22. Hearing on Motion. The motion before trial raising defenses or objections shall be determined before trial unless the court orders that it be deferred for determination at the trial of the general issue. An issue of fact shall be tried by a jury if a jury trial is required by law. All other issues of fact shall be determined by the court with or without a jury or on affidavits or in such other manner as the court may direct.

Rule 8.24. Effect of Determination. (1) If a motion is determined adversely to the defendant he shall be permitted to plead if he had not previously pleaded. A plea previously entered shall not be affected by the adverse determination of a motion.

(2) If the court grants a motion based on a defect in the institution of the prosecution or in the indictment or information, it may also order that the defendant be held in custody or that his bail be continued for a period of time not to exceed the date of discharge of the grand jury assembled at the next term of court pending the filing of a new indictment or information.

Rule 8.26. Improper Venue; Transfer. If it appears from either the indictment, information or evidence that the offense was committed in a county other than that in which the trial is being held, the defendant may move for a transfer of the prosecution to the proper venue. If the motion is sustained, the court shall order a transfer of the original papers including the bail bond, if any, or certified copies thereof, to the clerk of the court of the county to which the transfer of the prosecution is made. The court also may order that the bail be continued for his appearance or that the defendant be held in custody to await his transfer to the county to which the prosecution is transferred by a peace officer of that county. The defendant shall be deemed to be held to answer in the court of the county in which the offense was committed from the date of the sustaining of the motion.

Rule 8.28. Presence of Defendant. (1) The defendant shall be present at the arraignment, at every stage of the trial including the impaneling of the jury and the return of the verdict, and at the imposition of the sentence. The defendant's voluntary absence after the trial has been commenced in his presence shall not prevent proceeding with the trial up to and including the verdict. The defendant may be permitted to remain on bail during the trial.

(2) A corporation may appear by counsel for all purposes.

(3) In prosecutions for misdemeanors, the court may permit arraignment, plea, trial and imposition of sentence in the defendant's absence.

TRIAL

General

Rule 9.02. Time of Hearing or Trial. All prosecutions shall proceed when the defendant appears or is brought before the court unless postponed for cause.

Rule 9.04. Postponement of Hearing or Trial; Motion and Affidavit. The court, upon motion and sufficient cause shown by either party, may grant a postponement of the hearing or trial. A motion by the defendant for a postponement on account of the absence of evidence may be made only upon affidavit showing the materiality of the evidence expected to be obtained, and that due diligence has been used to obtain it. If the motion is based on the absence of a witness, the affidavit must show what facts the affiant believes the witness will prove, and not merely the effect of such facts in evidence, and that the affiant believes them to be true. If the attorney for the Commonwealth consents to the reading of the affidavit on the hearing or trial as the deposition of the absent witness, the hearing or trial shall not be postponed on account of his absence.

Rule 9.12. Consolidation of Offenses for Trial. The court may order two or more indictments or informations or both to be tried together if the offenses, and the defendants, if more than one, could have been joined in a single indictment or information. The procedure shall be the same as if the prosecution were under such single indictment or information. However, any defendant in any criminal action shall be entitled to a separate trial, if demand is made therefor, prior to the time a jury is impaneled. If there is no jury, then such demand shall be made before any evidence is offered.

Rule 9.14. Misjoinder of Offenses. If two or more offenses are charged in the same indictment or information and they cannot be properly joined, the Commonwealth may be required to elect which offense it will prosecute.

Rule 9.16. Separate Trials. If it appears that a defendant or the Commonwealth is prejudiced by a joinder of offenses or of defendants in an indictment or information or by joinder for trial, the court may order separate trials of counts, grant separate trials of defendants or provide whatever other relief justice requires.

Rule 9.22. Objections; Exceptions Unnecessary. An objection is made by a party making known to the court, at the time the ruling or order of the court is sought, the action which he desires the court to take or his objection to the action of the court, and on request of the court, his grounds therefor; but if a party has no opportunity to object to a ruling or order, the absence of an objection does not thereafter prejudice him. Exceptions to the rulings or orders of the court are unnecessary.

Rule 9.24. Harmless Error. Any error, defect, irregularity or variance which does not affect substantial rights shall be disregarded.

Rule 9.26. Substantial Error. A palpable error which affects substantial rights may be considered by the court on motion for a new trial or by the Court of Appeals on appeal, even though insufficiently raised or preserved for review, and appropriate relief may be granted upon a determination that manifest injustice has resulted from the error.

Jury

Rule 9.30. Selection of Jury. (1) (a) In a jury trial in circuit court the clerk, in open court, shall draw from the jury box sufficient names of the persons selected and summoned for jury service to compose a jury as required by law. If one or more of them is challenged, the clerk shall draw from the box as many more as are necessary to complete the jury.

(b) If there is an irregularity in drawing from the jury box, the names of the jurors so drawn shall be returned to the box.

(c) When it appears that the names in the jury box are about to become exhausted, the judge may obtain additional jurors by drawing from the drum, or, with the consent of the parties, by ordering the sheriff or a bailiff appointed by the court to summon any number of qualified persons.

(2) In inferior courts the magistrate shall order the sheriff or the attending officer to summon as many qualified persons as are necessary to compose the jury, unless otherwise provided by law.

Rule 9.32. Additional Jurors. The court may direct the clerk to draw one or two names from the jury box in addition to the number required by law to compose the jury. All jurors so drawn shall be empaneled and hear the case. Should it become necessary to excuse a juror for any reason, the trial shall continue unless the number of jurors is reduced to less than the number required by law. If the membership of the jury consists of more than the number required by law after it has been instructed by the court, the clerk, in open court, shall place the name of each juror on a separate piece of paper, fold it so as to conceal the name and put it in a box provided for that purpose. The clerk, after mixing the names, shall draw from the box sufficient names to reduce the jury to the number required by law.

Rule 9.33. Jurors From Adjoining Counties. If the judge of the court be satisfied after having made a fair effort, in good faith, for that purpose, that, from any cause, it will be impracticable to obtain a jury free of bias in the county wherein the prosecution is pending, he shall be authorized to order the sheriff to summon a sufficient number of qualified jurors from some adjoining county in which the judge shall believe there is the greatest probability of obtaining impartial jurors. When the sheriff is so ordered he shall go to the circuit judge of such adjoining county, if he is in the county at the time, and request the judge to draw from the jury drum a list of names sufficient in number to equal the number ordered summoned; and to record the names upon paper, certify and sign it. Whereupon the said sheriff shall summon the number ordered to be summoned from such list. If the circuit judge is not in the county at the time, then the sheriff shall select such jurors from the panels which served, and whose names appeared of record, as jurors at the previous regular term of court in such adjoining county. If the jurors who served at the preceding term are not sufficient in number to meet the number ordered summoned then the sheriff shall select the remainder from the list which served at the next to the last preceding term. From the persons so summoned the jury may be formed.

Rule 9.34. Challenge to Panel. A motion raising an irregularity in the selection or summons of the jurors or formation of the jury must precede the examination of the jurors.

Rule 9.36. Challenge to Individual Jurors. (1) The challenges for cause shall be made first by the Commonwealth and then by the defense. Each party shall exhaust his challenges to each juror before the other begins. When there is reasonable ground to believe that a juror cannot render a fair and impartial verdict on the evidence, he shall be excused as disqualified to serve.

(2) When more than one defendant is being tried, the order in which challenges to a juror may be made shall be prescribed by order of court.

(3) Challenges for peremptory or for cause must be made before the juror is accepted except that the court for good cause may permit such challenges until the jury is sworn.

Rule 9.38. Examination of Jurors. The court may permit the attorney for the Commonwealth and the defendant or his attorney to conduct the examination of prospective jurors or may itself conduct the examination. In the latter event the court shall permit the attorney for the Commonwealth and the defendant or his attorney to supplement the examination by such further inquiry as it deems proper. The court may itself submit to the prospective jurors such additional questions submitted by the parties or their attorneys as it deems proper.

Rule 9.40. Peremptory Challenges. (1) If the offense charged is a felony, the Commonwealth is entitled to five peremptory challenges and the defendant or defendants jointly to fifteen peremptory challenges. If the offense charged is a misdemeanor, the Commonwealth is entitled to three peremptory challenges and the defendant or defendants jointly to three peremptory challenges.

(2) If one or two additional jurors are called, each side is entitled to one additional peremptory challenge.

(3) If more than one defendant is being tried, the court may at its discretion allow additional peremptory challenges to each defendant.

Proceedings

Rule 9.42. Order of Proceeding. The jury shall be sworn to try the issue after which the trial shall proceed in the following order, unless the court for special reasons otherwise directs:

(1) The attorney for the Commonwealth shall state to the jury the nature of the charge and the evidence upon which he relies to support it;

(2) The defendant or his attorney may state his defense and the evidence upon which he relies to support it or he may reserve his opening statement until the conclusion of the evidence for the Commonwealth;

(3) The attorney for the Commonwealth must offer the evidence in support of the charge;

(4) The defendant or his attorney may make his opening statement, if reserved, and offer his evidence in support of his defense;

(5) The parties respectively may offer rebutting evidence, unless the court, for good reason in furtherance of justice, permits them to offer evidence-in-chief;

(6) The parties may submit or argue the case to the jury. In the argument, the attorney for the Commonwealth shall have the conclusion and the defendant or his attorney the opening. If more than one counsel is to take part in the closing argument on either side, or if several defendants have separate defenses and appear by different counsel, the court shall arrange the order of argument, always giving the attorney for the Commonwealth the closing argument.

Rule 9.44. Proof of Official Record. An official record or any entry therein or the lack of such a record or entry may be proved in the manner provided by the Civil Rules.

Rule 9.46. Expert Witnesses. The court may order the parties to show cause why expert witnesses should not be appointed, and may request the parties to submit nominations. The court may appoint any expert witnesses agreed upon by the parties, and may appoint witnesses of its own selections. An expert witness shall not be appointed by the court unless the witness consents to act. A witness so appointed shall be informed of his duties by the court at a conference in which the parties shall have opportunity to participate. A witness so appointed shall advise the parties of his findings, if any, and may thereafter be called to testify by the court or by any party. He shall be subject to cross-examination by each party. The court may determine the reasonable compensation of such witness and direct its payment out of such funds as may be provided by law. The parties also may call expert witnesses of their own selection at their own expense.

Rule 9.48. Separation of Witnesses. If either a defendant or the Commonwealth requests it, the judge may exclude from the hearing or trial any witness of the adverse party not at the time under examination, so that he may not hear the testimony of the other witnesses. This provision shall not apply to the parties to the proceeding.

Rule 9.50. Exclusion of Infants from Courtroom. In any trial for rape, attempted rape, seduction, unlawfully detaining a woman and similar offenses the judge may exclude from the courtroom, and from the hearing of the testimony and arguments, all infants under the age of sixteen years, except those who are witnesses in the case or kin to one of the parties.

Rule 9.52. Avowals. If an objection to a question propounded to a witness is sustained by the court, upon the request of the examining attorney an avowal may be made in the manner provided in the Civil Rules.

It shall be the duty of the court to instruct the jury on all of the law of the case.

Rule 9.56. Reasonable doubt. The jury shall be instructed that if there is a reasonable doubt of the defendant's being proved to be guilty, he is entitled to an acquittal and that if there be a reasonable doubt of the degree of the offense which the defendant has committed, he shall be convicted only of the lower degree.

Rule 9.58. Questions of Law. All questions of law arising during the trial or proceedings shall be decided by the court, and the jury shall be bound to take the decisions of the court on points of law as the law of the case.

Rule 9.60. Corroboration of Confession. A confession of a defendant, unless made in open court, will not warrant a conviction unless accompanied with other proof that such an offense was committed.

Rule 9.62. Testimony of Accomplice. A conviction cannot be had upon the testimony of an accomplice unless corroborated by other evidence tending to connect the defendant with the commission of the offense; and the corroboration is not sufficient if it merely shows that the offense was committed, and the circumstances thereof. In the absence of corroboration as required by law, the court shall instruct the jury to render a verdict of acquittal.

Rule 9.64. Dismissal of Indictment. The attorney for the Commonwealth, with the permission of the court, may dismiss the indictment, information or complaint prior to the submission of the case.

Rule 9.66. Separation of Jurors. If the offense charged is punishable either by life imprisonment or by death, the jurors shall be kept together in charge of the proper officer. They may be permitted to separate only by agreement of the parties and with approval of the court. The consent or approval may be withdrawn before any recess or adjournment of court. If the offense charged is a felony which is not punishable either by life imprisonment or by death, or is a misdemeanor, the jurors may be permitted to separate in the discretion of the court. On the trial of any felony, the jurors shall be kept together after the case is submitted for their verdict. When a jury composed of both sexes must be kept together, the male members of the jury may be separated from the female members and each sex kept together in charge of an officer of like sex.

Rule 9.68. Oath to Officers in Charge of Jury. When the jury is kept together in charge of officers, the officers must be sworn to keep the jurors together, and to suffer no person to speak to, or communicate with, them on any subject connected with the trial, and not to do so themselves.

Rule 9.70. Admonition to Jury. The jurors, whether permitted to separate or kept in charge of officers, must be admonished by the court that it is their duty not to permit any one to speak to, or communicate with, them on any subject connected with the trial, and that all attempts to do so should be immediately reported by them to the court, and that they should not converse among themselves on any subject connected with the trial, nor form, nor express any opinion thereon, until the cause be finally submitted to them. This admonition must be given or referred to by the court at each adjournment.

Rule 9.72. Jury to Take Exhibits. Upon retiring for deliberation, the jury may take all papers and other things which have been received as evidence in the case.

Rule 9.74. Information after Case Submitted. After the jurors retire for deliberation, if there be a disagreement as to any part of the evidence, or if they desire to be informed on a point of law, the information required must be given in open court, in the presence of the counsel for the parties.

Rule 9.76. Court Open while Jury Deliberating. While the jurors are deliberating on their verdict, the court shall be deemed open for every purpose connected with the case submitted to the jury until the verdict is returned or the jury discharged. A final adjournment of court discharges the jurors.

Verdict

Rule 9.82. Verdict. (1) The verdict shall be unanimous. It shall be returned by the jury in open court.

(2) If there are two or more defendants, the jury at any time during its deliberation may return a verdict or verdicts with respect to a defendant or defendants as to whom it has agreed; if the jury cannot agree with respect to all, the defendant or defendants as to whom it does not agree may be tried again.

Rule 9.84. Penalty. (1) When the jury returns a verdict of guilty it shall fix the degree of the offense and the penalty, except where the penalty is fixed by law, in which case it shall be fixed by the court.

(2) When the defendant enters a plea of guilty, the court may fix the penalty, except in cases involving offenses punishable by death.

Rule 9.86. Limitations on Conviction. The defendant may be found guilty of an offense included in the offense charged or of an attempt to commit either the offense charged or an offense included therein if the attempt is an offense.

Rule 9.88. Poll of jury. When the verdict is announced, either party may require the jury to be polled, which is done by the clerk's or court's asking each juror if it is his verdict. If upon the poll, there is not unanimous concurrence, the verdict cannot be received.

Rule 9.90. Insanity. (1) If the defense of insanity is made by the defendant, the jury must be instructed to state the finding of insanity in their verdict if they acquit him on that ground.

(2) When such a verdict is returned, the court may on motion of the prosecuting attorney or on its own motion impanel a jury to inquire whether the defendant is presently insane or have the issue determined as otherwise provided by law. If the defendant is found to be of unsound mind, the court shall direct that he be confined in a mental institution until his mind is restored.

New Trial—Arrest of Judgment

Rule 10.02. Motion for New Trial. (1) Upon motion of a defendant, the court may grant a new trial for any ground which prevented the defendant from having a fair trial, or if required in the interest of justice. If trial was by the court without a jury, the court may vacate the judgment, take additional testimony and direct the entry of a new judgment.

(2) Not later than ten days after return of the verdict, the court on its own initiative may order a new trial for any reason for which it might have granted a new trial on motion of a defendant, and in the order shall specify the grounds therefor.

Rule 10.04. Examination of Jurors after Verdict. A juror cannot be examined to establish a ground for a new trial, except to establish that the verdict was made by lot.

Rule 10.06. Time for Motion. The motion for a new trial shall be served not later than five days after return of the verdict. A motion for a new trial based upon the ground of newly discovered evidence shall be made within one year after the entry of the judgment or at a later time if the court for good cause so permits.

Rule 10.08. Time for Serving Affidavits. When a motion for a new trial is supported by affidavits, the Commonwealth has ten days after service of the motion within which to serve opposing affidavits, which period may be extended for an additional period not exceeding twenty days either by the court for good cause shown or by the parties by written stipulation. The court may permit reply affidavits.

Rule 10.10. Clerical Mistakes. Clerical mistakes in judgments, orders or other parts of the record and errors therein arising from oversight or omission may be corrected by the court at any time on its own initiative or on the motion of any party and after such notice, if any, as the court orders. During the pendency of an appeal, such mistakes may be so corrected before the appeal is docketed in the appellate court, and thereafter while the appeal is pending may be so corrected with leave of the appellate court.

Rule 10.12. Preservation of Error. Allegations of error, properly preserved, by objections as provided in these rules, in respect to rulings, orders or instructions of the court need not be presented in a motion for a new trial in order to be preserved for appellate review.

Rule 10.22. Arrest of Judgment. The court shall arrest the judgment if the indictment or information does not charge an offense or if the court was without jurisdiction of the offense charged. The motion in arrest shall be made within five days after determination of guilt.

Judgment: Execution

Rule 11.02. Sentence. The sentence shall be imposed without unreasonable delay except as otherwise provided by law. Pending sentence, the court may commit the defendant, or continue or alter the bail. Before imposing sentence the court shall afford the defendant an opportunity to make a statement in his own behalf, and to present any information in mitigation of punishment if the sentence is fixed by the court.

Rule 11.04. Contents and Entry of Judgment. (1) A judgment of conviction shall set forth the plea, the verdict or findings, the adjudication and sentence, a statement as to whether the defendant is entitled to bail, the amount of bail and the day of the execution of a death sentence, which shall be at least thirty days after the entry of the judgment. If two or more sentences are imposed, the judgment shall state whether they are to be served concurrently or consecutively.

(2) If the defendant is found "not guilty" or for any other reason is entitled to be discharged, judgment shall be entered accordingly.

(3) The judgment shall be signed by the judge and entered by the clerk.

Rule 11.22. Execution of the Judgment. If the judgment imposes a sentence of death or confinement in the penitentiary, county jail or other institution, two certified copies thereof shall be furnished forthwith to the sheriff who shall execute the same by delivering the defendant and a certified copy of the judgment to the person in charge of the institution of confinement and filing a written return thereof in the office of the clerk of the court within ten days after the execution.

Rule 11.32. Disability of Judge. If by reason of death, sickness, or other disability, a judge before whom the defendant has been tried is unable to perform the duties to be performed by the court after a verdict or finding of guilty, any successor or special judge sitting in or assigned to the court in which the case was tried may perform those duties; but if such other judge is satisfied that he cannot perform those duties because he did not preside at the trial or for any other reason, he may in his discretion grant a new trial.

Rule 11.42. Motion to Vacate, Set Aside or Correct Sentence. A prisoner in custody under sentence who claims a right to be released on the ground that the sentence was imposed in violation of the Constitution or statutes of the Commonwealth or of the United States, or that the Court imposing the sentence was without jurisdiction to do so, or that the sentence was in excess of that authorized by law or is otherwise subject to collateral attack, may file a motion at any time in the court which imposed the sentence to vacate, set aside or correct the same. If the motion and the files and records of the case show to the satisfaction of the court that the prisoner is not entitled to relief, the court shall so determine and enter an order accordingly; otherwise the court shall cause notice thereof to be served on the attorney for the Commonwealth and grant a prompt hearing thereon. If the court finds that the judgment was rendered without jurisdiction or that the sentence imposed was illegal or otherwise subject to collateral attack, or that there was such a denial or infringement of the constitutional rights of the prisoner as to render the judgment subject to collateral attack, the court shall vacate the judgment and shall discharge the prisoner or resentence him or grant a new trial or correct the sentence as may be appropriate. The court need not entertain a second motion or successive motions for similar relief on behalf of the same prisoner.

Appeals

To Circuit Court

Rule 12.02. Manner of Taking. (1) An appeal to the circuit court is taken by filing with the clerk thereof a certified copy of the judgment and the amount of costs, and cause to be executed before the clerk a bond to the effect that the defendant will pay the costs of the appeal and perform the judgment which may be rendered against him on the appeal; whereupon, the clerk shall issue an order to the judge or the justice rendering the judgment, to stay proceedings thereon, and to transmit to the office of said clerk all the original papers in the prosecution.

(2) The applicable provisions governing bail shall apply to the bond provided for in subsection (1).

(3) After the service of the order to stay proceedings, no execution shall be issued from the inferior court, and any officer on whom the order is served shall return the execution in his hands as suspended by appeal.

Rule 12.04. Time for Taking. The time within which an appeal may be taken to the circuit court shall be thirty days from the entry of the judgment or order appealed from, unless a different period of time is prescribed by law.

Rule 12.06. Schedule and Manner of Trial; Judgment. Appeals taken to the circuit court shall be docketed by the clerk thereof as a regular criminal prosection and shall be tried anew, as if no judgment had been rendered, and the judgment shall be considered as affirmed if judgment for any amount is rendered against the defendant, and thereupon he shall be adjudged to pay the costs of the appeal.

To Court of Appeals

Rule 12.52. Manner of Taking; Notice. (1) An appeal to the Court of Appeals is taken by filing a notice of appeal with the circuit court.

(2) Where a motion for an appeal before the Court of Appeals is required, the appeal is taken by filing a notice of appeal, and the record on appeal shall be made up, in the same time and manner as in case of appeals that are permitted as a matter of right. The motion for an appeal shall be made at the time the record on appeal is docketed in the Court of Appeals.

(3) The notice of appeal shall specify the party or parties taking the appeal, and shall designate the judgment or order appealed from.

Rule 12.54. Time for Taking. The time within which an appeal may be taken to the Court of Appeals shall be five days from the entry of the judgment or order appealed from, but if a timely motion has been made for a new trial or in arrest of judgment, an appeal from a judgment of conviction may be taken within five days after entry of the order denying the motion.

Rule 12.56. Record on Appeal. The clerk of the circuit court shall prepare and certify a true copy of the entire record of the trial. An original exhibit, when requested, shall be certified by the clerk as a part of the record on appeal. The matter certified under these provisions shall constitute the record on appeal and shall be transmitted by the clerk of the Court of Appeals.

Rule 12.58. Filing Record on Appeal. The record on appeal shall be filed with the Court of Appeals within 60 days from the date of filing the notice of appeal; except that, when more than one appeal is taken from the same judgment, the circuit court may prescribe the time for filing, which in no event shall be less than 60 days from the date of filing the first notice of appeal. In all cases the circuit court in its discretion and with or without motion or notice may extend the time for filing the record on appeal, if its order for extension is made before the expiration of the period for filing as originally prescribed or as extended by a previous order; but the circuit court shall not extend the time to a day more than 110 days from the date of filing the first notice of appeal.

Rule 12.60. Correction or Modification of Record. It is not necessary for the record on appeal to be approved by the circuit court or judge thereof except as provided in Rules 12.68 and 12.72 but if any difference arises as to whether the record truly discloses what occurred in the circuit court, the difference shall be submitted to and settled by that court and the record made to conform to the truth. If anything material to either party is omitted from the record on appeal by error of accident or is misstated therein, the parties by stipulation, or the circuit court, either before or after the record is transmitted to the Court of Appeals, or the Court of Appeals, on a proper suggestion or its own initiative, may direct that the omission or misstatement shall be corrected, and if necessary that a supplemental record shall be certified and transmitted by the clerk of the circuit court. All other questions as to the content and form of the record shall be presented to the Court of Appeals.

Rule 12.62. Statement of Points. No assignment of errors is necessary.

Rule 12.64. Transcript of Evidence and Proceedings. Promptly after an appeal to the Court of Appeals is taken, the appellant shall file with the circuit court the reporter's transcript and a copy thereof, if the proceedings at the trial or hearing have been stenographically reported.

Rule 12.66. Several Appeals. When more than one appeal is taken to the Court of Appeals from the same judgment, a single record on appeal shall be prepared.

Rule 12.68. Appeals when No Stenographic Report is Available. In the event no stenographic report of the evidence or proceedings at a hearing or trial was taken, or if taken, cannot be transcribed, the appellant may prepare a narrative statement of the evidence or proceedings from the best available means, including his recollection, for use instead of a stenographic transcript. The statement shall be served on the appellee, who may serve objections or proposed amendments thereto within ten days after service upon him. Thereupon the statement, with the objections or proposed amendments, shall be submitted to the circuit court for settlement and approval, and as settled and approved shall be included by the clerk of the court in the record on appeal. A copy of the statement as approved shall be furnished by the appellant or made by the clerk to remain on file in the clerk's office as a part of the original record.

Rule 12.70. Bystanders Bill. In the event that the trial judge refuses or is unable for any reason to approve a record of the proceedings and evidence when submitted to him for settlement; or in the event he approves such a record or enters a correction thereon over a party's objection, an aggrieved party may, within five days after the trial judge's action, serve an exception as written by him, if its truth is attested by the affidavits of two bystanders, but its truth may be controverted and maintained by other affidavits so served, not exceeding five on either side. Affidavits controverting must be filed within five days after the serving of the correction, and those maintaining within ten days after the serving of the correction.

Rule 12.72. Agreed statement. When a question presented by appeal to the Court of Appeals can be determined without an examination of all the evidence and proceedings in the court below, the parties may prepare and sign a statement of the case showing how the questions arose and were decided in the circuit court, and setting forth only so many of the facts proved or sought to be proved as are essential to a decision of the questions by the appellate court. The statement shall include a copy of the judgment appealed from, a copy of the notice of appeal with its filing date, and a concise statement of the points to be relied on by the appellant. If the statement conforms to the record, proceedings and proof, it, with such additions as the circuit court may consider necessary fully to present the questions raised by the appeal, shall be approved by the circuit court and shall then be certified to the Court of Appeals as the record on appeal.

Rule 12.74. Preference. Preference shall be given to appeals in criminal cases over appeals in civil cases.

Rule 12.76. Stay of Execution. (1) (Death.) A sentence of death shall be stayed if an appeal is taken, but the defendant may be transferred to the penitentiary.

(2) (Imprisonment.) A sentence of imprisonment shall be stayed if an appeal is taken and the defendant elects not to commence service of the sentence or is admitted to bail.

(3) (Fine.) A sentence to pay a fine or a fine and costs, if an appeal is taken, may be stayed by the circuit court upon such terms as the court deems proper.

(4) (Probation.) An order placing the defendant on probation shall be stayed if an appeal is taken.

Rule 12.78. Bail on Appeal. (1) Bail may be allowed by the trial judge pending appeal to the Court of Appeals in all cases except where the defendant has been sentenced to life imprisonment or death.

(2) The applicable provisions governing bail shall apply to bail on appeal.

(3) The court allowing bail may at any time revoke the order admitting the defendant to bail.

Rule 12.80. Execution and Approval of Bond. The appeal bond may be given at or after the time of filing the notice of appeal. The stay is effective when the bond is approved by the court or the clerk, and the clerk shall give prompt notice of such approval to the attorney for the Commonwealth.

Rule 12.82. Application for Relief Pending Review. If an application is made to the Court of Appeals, for bail pending appeal or for an extension of time for filing the record on appeal or for any other relief which might have been granted by the circuit court, the application shall be upon notice and shall show that application to the court below is not practicable or that application has been made and denied with the reasons given for the denial, or that the action on the application did not afford the relief to which the applicant considers himself to be entitled.

CHANGES IN STATUTES RELATED TO CRIMINAL PROCEDURE

Section 1. Section 21.140 of the Kentucky Revised Statutes is created to read as follows:

(1) A defendant may appeal as a matter of right to the Court of Appeals from a final judgment of the circuit court imposing a sentence of confinement or imprisonment of twelve months or more.

(2) The Court of Appeals may grant an appeal on a motion by a defendant from a final judgment of the circuit court imposing a sentence of confinement of less than twelve months or a fine or both. The court may also grant an appeal on a motion by a defendant from a final judgment of a county judge on a prosecution transferred to the county judge in accordance with KRS 23.145.

(3) An appeal may be taken to the Court of Appeals by the Commonwealth from an adverse decision or ruling of the circuit judge and such an appeal shall not suspend the proceedings in the case.

Section 2. Section 23.032 of the Kentucky Revised Statutes is created to read as follows:

(1) The defendant may appeal from a judgment of a county, quarterly, justice's or police court imposing a fine or confinement, or both, to the circuit court of the county in which the judgment was rendered.

(2) The Commonwealth or city shall have no right of appeal to the circuit court from judgments of courts or inferior jurisdiction except where the validity of an ordinance is in issue.

Section 3. Section 25.012 of the Kentucky Revised Statutes is created to read as follows:

A county judge or a justice of the peace of the county in which a public offense has been committed is authorized to examine the charge, and commit to jail or hold to bail the person charged with its commission, except the judge of the county court shall have exclusive jurisdiction in all cases of homicide unless he is absent from the county or cannot properly preside, or unless otherwise provided by law.

Section 4. Section 25.014 of the Kentucky Revised Statutes is created to read as follows:

The right of the accused to a trial by a jury in a criminal prosecution in the county, quarterly and justices' courts shall be governed by the statute providing for jury trial of prosecutions in the police court of the city of the highest class located in the county.

Section 5. Subsection (3) of Section 26.330 of the Kentucky Revised Statutes is amended to read as follows:

(3) In cities of the third, *fourth, fifth and sixth* class*es* [,] the police judge may issue all process*es*.

Section 6. Subsection (4) of Section 26.400 of the Kentucky Revised Statutes is amended to read as follows:

(4) In cities of the fourth, *fifth and sixth* class*es,* the accused may demand a jury *trial* in all cases in the police court where the fine may be more than twenty dollars.

Section 7. Section 28.320 of the Kentucky Revised Statutes is created to read as follows:

On the conviction of a clerk for an offense for which forfeiture of office is provided by statute, the clerk of the court of conviction shall forward to the Attorney General a copy of the judgment, upon receipt of which the Attorney General shall institute proceedings for removal of the convicted clerk.

Section 8. Section 29.225 of the Kentucky Revised Statutes is amended to read as follows:

The court shall appoint one of the grand jurors to be foreman who shall administer an oath or affirmation to each witness who testifies before the grand jury.

[The court shall appoint one of the number of every grand jury foreman thereof, and the following oath, in substance, shall be administered to the grand jury: "Saving yourselves, you do swear that you will diligently inquire of and present all felonies, misdemeanors, and breaches of the penal laws, that have been committed or done within the limits of the jurisdiction of this county, of which you have knowledge or may receive information."]

Section 9. Section 29.262 of the Kentucky Revised Statutes is created to read as follows:

If, after making a fair effort in good faith, the judge is satisfied that it will be impracticable to obtain a jury free of bias in the county in which the prosecution is pending, he may order the sheriff to summon a sufficient number of qualified jurors from some adjoining county in which the judge believes there is the greatest probability of obtaining impartial jurors. The sheriff shall go to the circuit judge of the adjoining county, if he is in the county at the time, and request the judge to draw from the jury drum sufficient names and to record the names upon paper, certify and sign it. The sheriff shall then summon from such list the number ordered to be summoned. If the circuit judge is not in the county at the time, the sheriff shall select such jurors from the panels which served, and whose names appeared of record, as jurors at the previous regular term of court in the adjoining county. If the jurors who served at the preceding term are not sufficient in number to meet the number ordered summoned, the sheriff shall select the remainder from the list which served at the next to the last preceding term. From the persons so summoned the jury may be formed.

Section 10. Section 29.268 of the Kentucky Revised Statutes is created to read as follows:

When, in the opinion of the court, it is necessary that the jury view the place in which the offense is charged to have been committed, or in which any other material fact occurred, it may order the jury to be conducted in a body, in the custody of proper officers and accompanied by the judge, prisoner and counsel for each side to the place, which must be shown to them by the judge, or by a person appointed by the court for that purpose. The officers must be sworn to suffer no person to speak to, or communicate with, the jury on any subject connected with the trial, nor do so themselves, but shall merely show the place to be viewed, and return them into court without unnecessary delay, or at a specified time.

Section 11. Section 63.035 of the Kentucky Revised Statutes is created to read as follows:

(1) If an impeachment is recommended by the committee of the House of Representatives to which it is referred, the committee shall draw up the Articles of Impeachment in accusation of the officer and submit the articles to the House with the recommendation for impeachment.

(2) The Articles of Impeachment shall state with reasonable certainty the misdemeanor in office for which impeachment is sought; and if there be more than one misdemeanor, each shall be stated separately and distinctly.

Section 12. Section 63.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) If an impeachment is ordered by the House of Representatives a committee shall be appointed to prosecute it, and the committee chairman shall, within five days, lay the impeachment before the Senate.

(2) The Senate shall appoint a day for hearing the impeachment. The accused shall be summoned by precept, issued by the Clerk of the Senate, to appear on that day. The precept shall be served in person, or a copy left at his residence with *a* [some white] member of his family over the age of sixteen years, together with a copy of the impeachment.

(3) The Clerk of the Senate shall, at the instance of the chairman of the committee, or of the accused, issue process for the summoning of witnesses, and the production of books, *papers, documents, or tangible things. Process so issued shall be executed by peace officers or officers specially appointed by the Senate for that purpose in the same manner as similar process of courts. Upon disobedience to the process, the Senate may order the clerk to issue process for arresting the witnesses and seizing the books, papers, documents, or tangible things. Disobedience may be punished in the manner provided for other witnesses before the General Assembly.* [or papers, which shall be executed in the same manner, and be obeyed under a like penalty, as is prescribed for disobedience to similar process issued by a court.]

(4) A witness so summoned shall receive the same compensation, and have the same privilege in going, remaining and returning, as a witness in circuit court.

Section 13. Section 63.055 of the Kentucky Revised Statutes is created to read as follows:

The Senate shall determine what amount of absence of a senator during the trial shall exclude the senator from voting on the final decision.

Section 14. Section 63.075 of the Kentucky Revised Statutes is created to read as follows:

In a proceeding for impeachment instituted by the House of Representatives without a petition from any person, if the accused be acquitted he shall be entitled to his costs, to be taxed by the Clerk of the Senate against the Commonwealth. If the accused be convicted, he shall pay the costs, to be taxed by the Clerk and recovered by motion by the Attorney General, in the Franklin Circuit Court at the first term thereof, without notice, or afterward on notice.

Section 15. Section 64.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) *A justice of the peace, police judge or other officer* [Magistrates] shall be paid out of the State Treasury, for holding examining courts, [in felony cases,] two dollars for the first day's service, and one dollar [for] each additional day, but not more than four dollars in any one case. No allowance shall be made for holding examining courts until the grand jury has returned an indictment. [for a felony.]

(2) A county judge shall not receive any fee from the Commonwealth for any services rendered as examining courts.

Section 16. Section 70.060 of the Kentucky Revised Statutes is amended to read as follows:

Any sheriff, deputy sheriff or other like officer may command and take with him the power of the county, or a part thereof, to aid him in the execution of the duties of his office, *and may summon as many persons as he deems necessary to aid him in the performance thereof.* [civil or criminal.]

Section 17. Section 197.041 of the Kentucky Revised Statutes is created to read as follows:

If a defendant is confined in the penitentiary during the pendency of an appeal and, on reversal, is again convicted, he shall be given credit for the period so confined in determining his date of eligibility for parole and his date of release by expiration of sentence.

Section 18. Section 208.380 of the Kentucky Revised Statutes is amended to read as follows:

An appeal may be taken from the juvenile session of the county court *from all orders and judgments whereby any infant, or other person, shall be restrained of his liberty, or placed in the custody of any institution, or fined or punished in any manner, whether in a criminal or quasi-criminal, civil, or other proceeding. The appeal shall be taken in the manner provided in the Rules of Criminal Procedure, except that the judgment is not suspended by taking the appeal, and the transcript when filed in the office of the Clerk of the Circuit Court shall be accompanied by a motion for an appeal, supported by an affidavit of merits, signed by the appellant, or if he be an infant, by* *his parent or guardian, or if such infant have no parent or guardian, then by his next friend, which affidavit shall state the nature of the controversy and such facts as are necessary to enable the circuit judge to determine whether an appeal shall be allowed, and the disposition of the child pending the hearing on appeal. The county attorney shall be notified of the motion for an appeal and given an opportunity to file counter affidavits.* [as provided in section 362 of the Criminal Code of Practice; provided, however, that nothing contained herein shall be construed to deprive the child of the right to have any judgment or order affecting it reviewed by the circuit court.]

Section 19. Section 419.020 of the Kentucky Revised Statutes is created to read as follows:

The writ of habeas corpus shall be issued upon petition on behalf of anyone showing by affidavit probable cause that he is being detained without lawful authority or is being imprisoned when by law he is entitled to bail.

The writ may be issued by any circuit judge on any day at any time and his power to issue such writs shall be co-extensive with the Commonwealth.

Section 20. Section 419.030 of the Kentucky Revised Statutes is created to read as follows:

The writ must be signed by the judge issuing it and command the person having custody of or restraining the person in whose behalf it is issued to bring him personally before the circuit judge of the county in which the person is being detained at the time therein specified. The writ must be made returnable as soon as possible.

Section 21. Section 419.040 of the Kentucky Revised Statutes is created to read as follows:

The judge granting the writ may require bond conditioned that the person detained shall not escape by the way, and for the payment of costs. The bond shall be filed with the record of the proceedings, and shall be sued on by the Commonwealth for the benefit of any one injured by the breach of it.

Section 22. Section 419.050 of the Kentucky Revised Statutes is created to read as follows:

When the person on whose behalf the writ is granted is not in the custody of a public officer, the judge issuing it, for good cause shown, may direct the person serving it to take the person detained into his custody and produce him on the return of the writ.

Section 23. Section 419.060 of the Kentucky Revised Statutes is created to read as follows:

(1) Service shall be made by delivering a copy of the writ personally to the person to be served, or if acceptance is refused, by offering personal delivery to such person.

(2) If the person to be served is absent from the place of detention, service shall be made by delivering a copy of the writ personally to the person having the person detained in immediate custody.

(3) If the person to be served conceals himself, or refuses admittance to the party attempting to serve the writ, it may be served by affixing a copy of it on some conspicuous place on the outside of his place of abode, or of the place where the party is confined or detained.

(4) The writ may be served at any time on any day. The return of the officer or person serving shall be proof of the time and manner of service.

Section 24. Section 419.070 of the Kentucky Revised Statutes is created to read as follows:

(1) The person commanded by the writ may file a response in which he shall state whether he has the party in his custody, or under his power of restraint.

(2) If he has the party in his custody or under his power of restraint, he shall state the authority for and cause of such custody or restraint. If the detention is by virtue of a legal process, a copy thereof must be annexed to the response.

(3) If he had the party in his custody or under his power of restraint at any time prior or subsequent to the date of the writ, but has transferred such custody or restraint to another, the response must state particularly to whom, at what time and place, for what cause and by what authority such transfer took place.

(4) The response must be signed by the party making it or his attorney in accordance with the Rules of Civil Procedure governing the signing of pleadings.

Section 25. Section 419.080 or the Kentucky Revised Statutes is created to read as follows:

The person commanded by the writ shall bring the detained person according to the command of the writ unless it is made to appear by affidavit that because of sickness or infirmity such person cannot be brought before the judge without danger to his health. If the judge is satisfied of the truth of the affidavit he may proceed and dispose of the case as if the party had been produced, or the hearing may be postponed until the party can be present.

Section 26. Section 419.090 of the Kentucky Revised Statutes is created to read as follows:

If the person commanded by the writ refuses to obey, he shall be adjudged in contempt of court.

Section 27. Section 419.100 of the Kentucky Revised Statutes is created to read as follows:

Evidence may be produced and compelled as in civil actions. Depositions taken in accordance with the provisions of the Rules of Civil Procedure may be read as evidence at the hearing on the writ.

Section 28. Section 419.110 of the Kentucky Revised Statutes is created to read as follows:

(1) The hearing on the writ shall be summary in nature.

(2) The judgment shall fix the costs of the proceeding, including the charge for transportation of the prisoner or party detained.

(3) Where the person detained is a party to a prosecution pending in another court, a copy of the judgment shall be forwarded to the clerk of that court.

Section 29. Section 419.120 of the Kentucky Revised Statutes is created to read as follows:

If the evidence at the hearing shows probable cause that the detained person is guilty of an offense that is within the exclusive jurisdiction of another court, or that was committed in another county, the court shall order that he be taken immediately before the court having jurisdiction or remand him to the custody of an officer to be taken to the proper county for new proceedings against him.

Section 30. Section 419.130 of the Kentucky Revised Statutes is created to read as follows:

(1) Any party to a hearing on a writ may appeal to the Court of Appeals by filing with the clerk of the court, within thirty days after the entry of the judgment, the original record and a transcript of the evidence, together with a notice of appeal, which notice shall be served on the other parties at least two days before the appeal is filed. Upon the filing of the appeal the clerk shall immediately deliver the papers to the Chief Justice, and the Court shall proceed immediately to hearing thereof and complete the same as soon as practicable. If the Court is in vacation at the time the appeal is filed, the Chief Justice shall call together a majority of the judges of the Court who shall hear and determine the appeal as in regular session.

(2) If the judgment in a habeas corpus proceeding orders the release of the person detained, any party may have the judgment stayed until the appeal is filed by notifying the judge rendering the judgment that he intends to appeal and upon complying with such terms as to bond or otherwise as the judge deems proper for the security of the person detained. The Court of Appeals may

continue, modify or set aside the stay pending the appeal. The appellant may be required to give security for costs.

Section 31. Section 431.005 of the Kentucky Revised Statutes is created to read as follows:

(1) A peace officer may make an arrest in obedience to a warrant, or without a warrant when a felony or misdemeanor is committed in his presence or when he has reasonable grounds to believe that the person being arrested has committed a felony.

(2) A private person may make an arrest when a felony has been committed in fact and he has reasonable grounds to believe that the person being arrested has committed it.

Section 32. Section 431.010 of the Kentucky Revised Statutes is re-enacted as Section 452.510 to read as follows:

Unless otherwise provided by law, *the venue of criminal prosecutions and penal actions is in* [every offense shall be tried in the court having jurisdiction of the subject matter of] the county or city in which the offense was committed.

Section 33. Section 431.015 of the Kentucky Revised Statutes is created to read as follows:

(1) A peace officer may issue a citation instead of making an arrest for a misdemeanor committed in his presence, if there are reasonable grounds to believe that the person being cited will appear to answer the charge. The citation shall provide that the defendant shall appear within a designated time.

(2) If the defendant fails to appear in response to the citation, or if there is reasonable grounds to believe that he will not appear, a complaint may be made before a magistrate and a warrant shall issue.

Section 34. Section 431.020 of the Kentucky Revised Statutes is re-enacted as Section 452.620 to read as follows:

When there is a reasonable doubt as to whether the offense was committed in the county in which an indictment has been returned or in some other county, the venue of the prosecution is in the county in which the indictment was returned. [When it is a matter of doubt, in the opinion of the circuit court of the county in which an indictment is found, as to whether the offense was committed in that county or in some other county, the court of the county in which the indictment was found shall have jurisdiction of the offense.]

Section 35. Section 431.025 of the Kentucky Revised Statutes is created to read as follows:

(1) The person making an arrest shall inform the person about to be arrested of the intention to arrest him, and of the offense for which he is being arrested.

(2) An arrest is made by placing the person being arrested in restraint, or by his submission to the custody of the person making the arrest. The submission shall be in the actual presence of the arrester.

(3) No unnecessary force or violence shall be used in making an arrest.

Section 36. Section 431.030 of the Kentucky Revised Statutes is re-enacted as Section 452.520 to read as follows:

Where any part of a river, watercourse, highway, road or street constitutes the boundary line between two counties, the *venue is in both counties for the prosecution of crimes committed over the whole extent of such part of the river, watercourse, highway, road, street or any island in the river.* [courts and all circuit and county officers of both counties shall have concurrent jurisdiction in all cases over the whole extent of such part of the river, watercourse, highway, road or street.]

Section 37. Section 431.035 of the Kentucky Revised Statutes is created to read as follows:

An officer making an arrest may summon as many persons as he deems necessary to aid in making the arrest.

Section 38. Section 431.040 of the Kentucky Revised Statutes is re-enacted as Section 452.530 to read as follows:

The venue of prosecutions for crimes committed on the Mississippi, Ohio, Big Sandy or Tennessee Rivers is in any of the counties bordering on the same river. [The circuit court of any county bordering on the Mississippi, Ohio, Big Sandy or Tennessee River shall have concurrent jurisdiction with the circuit courts of the other counties bordering on the same river of any felony committed on that river.]

Section 39. Section 431.045 of the Kentucky Revised Statutes is created to read as follows:

A peace officer in actual pursuit may continue such pursuit across corporate or county lines for the purpose of making an arrest.

Section 40. Section 431.050 of the Kentucky Revised Statutes is re-enacted as Section 452.560 to read as follows:

Where an injury is inflicted or poison is administered in one county and death ensues in another, the trial for the homicide may be in either county. [If a mortal wound or other violence or injury is inflicted, or poison administered, in one county, and death ensues in another, the offense may be prosecuted in either county.]

Section 41. Section 431.055 of the Kentucky Revised Statutes is created to read as follows:

If a person lawfully arrested escapes or is rescued, the person from whose custody he escapes or was rescued may immediately pursue and retake him in any part of the Commonwealth and may be joined in the pursuit and recapture by peace officers in the immediate area or vicinity.

Section 42. Section 431.100 of the Kentucky Revised Statutes is amended to read as follows:

All fines and forfeitures imposed by law shall inure to and vest in the *Commonwealth, except where, by law, the whole or a part thereof is given to a person or to some particular object, and may be recovered by civil procedure by the person to whom it is given or upon indictment or information.* [state, except in cases where, by law, the whole or a part thereof is given to a person or to some particular object, and may be recovered by civil procedure before any court having jurisdiction or upon indictment of a grand jury.]

Section 43. Section 431.130 of the Kentucky Revised Statutes is amended to read as follows:

Prisoners sentenced to punishment by confinement in the penitentiary shall be kept at hard labor. If the punishment is a fine or imprisonment in the jail of the county, or both, the imprisonment shall be close confinement in the jail of the county where the trial was held, unless otherwise provided. The prisoner shall also be confined in the county jail until the costs are paid, unless otherwise provided. In any jurisdiction where there is a county workhouse the court may in its discretion confine the prisoner to the county workhouse instead of the county jail. [A jury by whom an offender is tried in any court of this Commonwealth shall fix by its verdict a punishment to be inflicted within the periods or amounts prescribed by law; provided, however, that upon a verdict of "guilty" or a plea of guilty or "for the Commonwealth," by agreement of the Commonwealth's attorney and the defendant, with advice of an attorney, the court may, within its discretion, and without the intervention of a jury, fix the degree of punishment within the periods or amounts prescribed by law, except in cases involving an offense punishable by death.]

Section 44. Section 431.230 of the Kentucky Revised Statutes is re-enacted as Section 431.215 to read as follows:

If the judgment imposes a sentence of death or confinement in the penitentiary, county jail or other institution, two certified copies thereof shall be furnished forthwith to the sheriff who shall execute the same by delivering the defendant and a certified copy of the judgment to the person in charge of the penitentiary, jail or institution of confinement and making a written return thereof in the office of the clerk within ten days after the execution. [The sheriff of the county in which a condemned person under sentence of death is confined shall, upon the order of the court in which the condemned was sentenced, cause him to be conveyed, as expeditiously, privately and safely as possible, to the penitentiary, and shall deliver him, together with a duly certified copy of the judgment ordering the execution, to the superintendent of the penitentiary. The superintendent shall receive the condemned and safely keep him until the day designated for the execution, unless he is otherwise disposed of by due course of law.]

Section 45. Section 431.218 of the Kentucky Revised Statutes is created to read as follows:

When a judgment sentencing the defendant to death has been affirmed, the mandate shall fix the day of the execution as the fifth Friday following the date of the mandate of the court. The Clerk of the Court of Appeals shall transmit either by special messenger or by registered mail, a certified copy of the mandate to the proper officer which shall be the authority of such officer to carry the mandate into effect. The officer receiving the copy shall report his action both to the Governor and to the circuit court. If from any cause the execution does not take place on the day appointed in the mandate, the Governor may from time to time appoint another day for execution until the sentence is carried into effect.

Section 46. A new subsection of Section 431.240 of the Kentucky Revised Statutes is created to read as follows:

(4) Whenever a judgment of death has not been executed on the day appointed therefor by the court, from any cause whatever, the Governor, by a warrant under his hand and the seal of the Commonwealth, shall fix the day of the execution, which warrant shall be obeyed by the superintendent of the penitentiary.

Section 47. Section 439.260 of the Kentucky Revised Statutes is re-enacted to read as follows:

(1) *A circuit court, subject to the provisions and conditions provided in KRS 439.250 to 439.560, may postpone the entering of a judgment and the imposing of sentence and place the defendant on probation. This order shall only be made on motion of such defendant.* [Any circuit court, subject to the provisions and conditions provided in KRS 439.250 to 439.560, may postpone the entering of judgment and the imposing of sentence and probate any person arraigned before it and charged with crime. The court shall not postpone the entering of judgment or the imposing of sentence on any person whose punishment is fixed by the jury at life imprisonment or death. Except in cases where punishment is life imprisonment or death, circuit courts after a plea of guilty or after the returning of a verdict of guilty by the jury, may postpone the entering of judgment

and the sentencing of the defendant and place the defendant on probation, or may impose a fine and also place the defendant on probation.]

(2) *A judgment of a circuit court convicting a person for a criminal offense pursuant to a verdict of a jury shall be a final judgment from which an appeal may be prosecuted but the court on motion of the defendant may withhold issuing separately or incorporating in such judgment a directive that the defendant be taken by the chief law enforcement officer of the county to the penitentiary, there to be confined for the period set forth in the judgment.* [In placing any defendant on probation the court shall direct that such defendant be under the supervision of the division of probation and parole.]

(3) In the event an appeal is prosecuted and the judgment of the court is affirmed, the court may in its discretion, after the issuance of the mandate and its filing with the clerk of the circuit court, order that the execution of the sentence be postponed and that the defendant be placed on probation subject to the provisions provided in KRS 439.250 to 439.560.

(4) In placing any defendant on probation, the court shall direct that such defendant be under the supervision of the Division of Probation and Parole.

Section 48. Section 452.540 of the Kentucky Revised Statutes is created to read as follows:

Where a person in one county commits an offense in another county the trial may be in either county.

Section 49. Section 452.550 of the Kentucky Revised Statutes is created to read as follows:

Where an offense is committed partly in one and partly in another county, or if acts and their effects constituting an offense occur in different counties, the prosecution may be in either county in which any of such acts occurs.

Section 50. Section 452.570 of the Kentucky Revised Statutes is created to read as follows:

Where a person in one county aids, abets or procures the commission of an offense in another county he may be tried for the offense in either county.

Section 51. Section 452.580 of the Kentucky Revised Statutes is created to read as follows:

Where a person obtains property by larceny, robbery, false pretenses or embezzlement in one county and brings the property so obtained into or through any other county, he may be tried in the county in which he obtains the property or in any other county into or through which he brings it.

Section 52. Section 452.590 of the Kentucky Revised Statutes is created to read as follows:

Where the offense consists of transporting any property into the Commonwealth, the venue of the prosecution is in the county into or through which the property has been transported.

Section 53. Section 452.600 of the Kentucky Revised Statutes is created to read as follows:

Where the offense consists of kidnapping, seizing or confining a person without lawful authority, the prosecution may be in any county in which the person is seized or confined or through or into which he has been carried or brought.

Section 54. Section 452.610 of the Kentucky Revised Statutes is created to read as follows:

Prosecutions against persons publishing a newspaper for any libelous matter contained therein may be in the county where the same is printed and issued, or in the county where the party complaining resides.

Section 55. Section 452.630 of the Kentucky Revised Statutes is created to read as follows:

Where the venue of a prosecution is in two or more counties, the prosecution shall proceed in which the process for the arrest of the defendant is first issued, unless an indictment for the offense is pending in another county.

Section 56. Section 452.650 of the Kentucky Revised Statutes is created to read as follows:

The venue of the prosecution may be waived by the defendant and the failure to make a timely motion to transfer the prosecution to the proper county shall be deemed a waiver of the venue of the prosecution.

Section 57. Sections 455.010, 455.020 and 455.030 (1) of the Kentucky Revised Statutes are re-enacted as Section 23.145 to read as follows:

(1) When a defendant charged with a misdemeanor is unable to give bail and the court in which the prosecution is pending or before which he is ordered to appear is not in session, the officer having custody of the defendant shall take him before the county judge who shall procure a certified copy of the record, notify the county attorney, and proceed to try the case, or set a day for its trial within a reasonable time. [When a person charged with a misdemeanor is imprisoned in default of bail and the court in which he was indicted

or before which he was ordered to appear is not in session, the jailer shall at once notify the county judge and the county attorney. The county judge shall thereupon direct the circuit clerk to deliver to him a certified copy of the record in his possession by virtue of which the prisoner was arrested and detained. The judge shall, upon receiving the record, order the prisoner to be brought before him at the courthouse, and shall notify the county attorney, who shall prosecute. The judge shall give the accused notice of the charge against him, and proceed at once to try the case, or fix a day for its trial, and issue summons for any witnesses needed by either party. If the prisoner has no attorney and is too poor to employ one, the court shall, at his request, appoint an attorney to defend him.]

(2) The circuit court shall, at the end of each term, enter an order transferring to the county court any pending prosecutions on charges of misdemeanors provided the defendants are confined in jail. Upon the receipt of a certified copy of the record, the county judge shall proceed with trial, or set a day for trial within a reasonable time. [If, at the end of any term of a circuit court, any persons are held in jail to answer misdemeanor charges in that court, the court shall make an order transferring all such indictments to the county court, and the circuit clerk shall, immediately upon the adjournment of the court, furnish a copy of the record in the cases to the county judge, who shall proceed to try such persons as provided in KRS 455.010.]

(3) The county judge shall have the powers of a circuit judge in prosecutions tried in accordance with subsections (1) and (2) and the proceedings after judgment shall be the same as if the prosecution had been tried in the circuit court. [The trial and proceedings after judgment shall be the same as if the case had been tried in the circuit court.]

Section 58. Section 446.200 of the Kentucky Revised Statutes is created to read as follows:

As used in any statute that relates to criminal procedure, the terms "demurrer," "motion to quash" or similar terms shall be construed to mean the motion raising a defense or objection as provided in the Rules of Criminal Procedure.

Section 59. Section 446.210 of the Kentucky Revised Statutes is created to read as follows:

A reference in the Kentucky Revised Statutes to "the Criminal Code" or "Code of Practice in Criminal Cases" shall be construed to be a reference to the Rules of Criminal Procedure or that part of the Rules of the Court of Appeals or of the Kentucky Revised Statutes transferred from the Code of Practice in Criminal Cases which most closely corresponds to the purpose of the reference. A reference to a particular part or section of the Code shall be construed in a similar manner.

Section 60. (1) The creation or amendment of a statute in conflict with a statutory provision of this Act at this regular Session of the General Assembly shall be deemed to amend or repeal the provisions in this Act to the extent such conflict requires. Repeal by another act at this regular Session of the General Assembly of a statutory provision which is also a part of this Act shall not be deemed to effect repeal of the provisions of this Act.

(2) This Act shall be deemed to supersede any other amendments to the Code of Practice in Criminal Cases enacted prior to the passage of this Act. The amendment of a section of the code after the passage of this Act shall be deemed to be effective as a statute if the amendment is to one of the sections or part thereof not prescribed in the Rules of Criminal Procedure as indicated in the disposition tables prepared as part of the Criminal Code Study. If the section being amended is one of the sections incorporated into the Rules of Criminal Procedure, as indicated in the same disposition tables, it shall not be effective as a statute, but shall be construed as a concurrent resolution directed to the Court of Appeals.

Section 61. (1) The following sections and subsections of the Kentucky Revised Statutes are repealed: 26.080, 26.090, 26.100, 26.110, 26.120, 26.330(4), 26.400(5); 29.235, 29.260, 29.280(3); 432.360; 435.140(2); 451.150; 452.320(2); 455.030(2), 455.040, 455.050, 455.060, 455.070, 455.080, 455.110, 455.130.

(2) The Code of Practice in Criminal Cases is repealed in its entirety.

Section 62. (1) The Reviser of Statutes is directed to recompile Section 455.090 of the Kentucky Revised Statutes as section 421.225; section 455.100 as section 421.135; and section 455.120 as section 431.095.

(2) The Reviser of Statutes is further directed to delete the references to the Code of Practice in Criminal Cases contained in sections 25.480 and 25.490 of the Kentucky Revised Statutes, and to correct the references to the Code in sections 26.300 and 432.070.

(3) The Reviser of Statutes is expressly authorized to correct other references in the statutes made incorrect by this Act.

(4) The Rules of Criminal Procedure shall not be compiled as statutes, but may be published in the same manner as the Rules of Civil Procedure.

Section 63. Whereas, the revision of criminal procedure effected by this Act is comprehensive, making it advisable to accomplish distribution of it to members of the bench and bar permitting ample opportunity for attorneys to become acquainted with it and for the Court of Appeals to consider suggestions for change before it becomes effective, this Act shall become effective on January 1, 1963. The Rules of Criminal Procedure shall govern further proceedings and prosecutions pending on that date, except to the extent that in the opinion of the court, expressed by its order, their application in a particular prosecution would not be feasible, or would work injustice, in which event the procedure existing at the time the prosecution was brought applies.

HR 56, A JOINT RESOLUTION authorizing and directing payment of the sum of eight hundred and seventy dollars to the Harrison County Court to reimburse said county for the payments that it made on behalf of the Commonwealth, to Millard Nichols, etc. in the amount of five hundred and eighty dollars and to Waits Gorham, etc. in the amount of two hundred and ninety dollars as a result of judgments rendered in the cases of *Harrison County v. Millard Nichols, etc.* and *Harrison County v. Waits Gorham, etc.*

WHEREAS, an account was set up by the State Highway Department to pay right-of-way claims in Harrison County; and

WHEREAS, Harrison County later paid this amount of money back to the Commonwealth; and

WHEREAS, in 1955 the State Treasurer issued checks in the sums of five hundred and eighty dollars and two hundred and ninety dollars to satisfy the claims in the cases of *Harrison County v. Millard Nichols, etc.* and *Harrison County v. Waits Gorham, etc;* and

WHEREAS, these checks have not been cashed by Harrison County; and

WHEREAS, more than five years have elapsed from the original date of issuance of the said checks; and

WHEREAS, such checks cannot be re-issued without the authorization of the General Assembly of the Commonwealth of Kentucky,

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the State Treasurer be directed to draft a check in the amount of eight hundred and seventy dollars, drawn on the Commonwealth and made payable to the order of the Harrison County Court Clerk in his official capacity as said county clerk.

Section 2. That the purpose for issuing the check provided for in Section 1 is to reimburse Harrison County for its payment of the sum of eight hundred and seventy dollars which it paid on behalf of the Commonwealth.

Section 3. That a certified copy of this resolution be mailed by the Clerk of the House of Representatives to the County Clerk of Harrison County, and upon receipt of this resolution the said County Clerk shall file it as a part of the official county records.

HR 43, A CONCURRENT RESOLUTION requesting the motorcar industry to incorporate in all American motorcars those devices and structures that are known to be capable of reducing the number of highway deaths and injuries.

WHEREAS, many principles to be applied for the reduction of crash injuries in motorcars have been known for over thirty years, have been in use in aviation practice for fifteen years, and were explicitly presented in 1948 in the Journal of the American Medical Association by Woodward; and

WHEREAS, the principles are a part of basic engineering knowledge, and have been drawn to the attention of executive personnel in the motorcar industry by medical and other groups many times; and

WHEREAS, the motorcar industry gave only token recognition to these principles and practices in its products for the 1956 model year, and, despite promises of definite progress in succeeding years, has produced no significant improvements in the years since 1956,

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky; the Senate concurring therein:

That the Commonwealth of Kentucky requests the motorcar industry to incorporate in all American motorcars those devices and structures which they know are capable of reducing the number of deaths and injuries now occurring on our streets and highways; and also that the Commonwealth of Kentucky expresses the sincere hope that the motorcar industry can and will incorporate the necessary changes to make the individual cars less lethal, avoiding the need for the instigation of Federal controls such as have been imposed upon other businesses which did not police themselves.

The President vacated the Chair, President Pro Tem, Alvin Kidwell, presiding.

Calendar

SB 232, SB 233, SB 235, SB 236, SB 237, SB 248, SB 249, SB 250, SB 251, SB 258, SB 259, SB 260, SB 261, SB 263, SB 264, SB 265, SB 266, SB 267, SB 280, SB 283, SB 284, SB 287, SB 288, SB 294,

SB 298, SB 302, SB 299, SB 303, SB 304, SB 308, SB 312, SB 313, SB 321, SB 108, SB 255, SR 39, SB 277, SB 182, SB 253, SB 275, SB 213, SB 214, SB 241, SB 289 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected.

Orders of the Day

Senator Ware moved that **SB 201** by way of Committee Substitute be taken from the Clerk's Desk. Agreed.

Senator Howard moved to amend Committee Substitute for **SB 201** as follows:

Amend printed copy of Committee Substitute for Senate Bill 201, on page 1, lines 7 and 8, by deleting the following: "type of company or types of companies," and on lines 10, 11 and 12 by deleting the word "non-discriminatory" and by deleting the words "related to the solvency of the company and its ability to service the policy." Agreed.

Senator Bonn moved the Previous Question on **SB 201,** as amended. Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Swope, Turner, Ware. Nays 1—Kinkead.

Senator Howard moved to amend the Title to **SB 201,** and that it be known as the "Bonn-Kirchdorfer Bill." Agreed.

SB 201 was passed and the title agreed to.

Senator Bonn moved that the vote by which **SB 201,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Overbey moved that the record show that he voted "Yea" on **SB 201.** Agreed.

SB 61 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 61.** Agreed.

On roll call, the vote was yeas 35—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

SB 61 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 61** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 211 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garnett moved the Previous Question on **SB 211.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

SB 211 was passed and the title agreed to.

Senator Garnett moved that the vote by which **SB 211** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 218 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 218.** Agreed.

On roll call, the vote was yeas 28—Bishop, Bonn, Brand, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 0.

SB 218 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 218** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 225 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 225.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 1—Logan.

SB 225 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 225** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 31 taken from Orders of the Day, by way of committee substitute, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller moved the adoption of the Committee Substitute for **SB 31.** Agreed.

Senator Miller moved the Previous Question on **SB 31,** as amended. Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Johnson.

Senator McGinty moved to amend the Title to **SB 31** and that it be known as the "Scott Miller, Jr. Bill." Agreed.

SB 31 was passed and the title agreed to.

SB 217 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 217.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Johnson.

SB 217 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 217** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 223 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 223.** Agreed.

On roll call, the vote was yeas 16—Bonn, Buckman, Cobb, Craft, Duffy, Garnett, Hehl, Hickerson, Kidwell, Kinkead, McCann, Mann, Nichols, Raney, Turner, Ware. Nays 16—Bishop, Blue, Conley, Edwards, Fuqua, Gardner, Howard, Johnson, Kelly, Kiser, Logan, McGinty, Overbey, Palmer, Swope, White.

HB 223 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 223** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 224 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 224.** Agreed.

On roll call, the vote was yeas 25—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Ware. Nays 1—Swope.

HB 224 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 224** was passed be reconsidered and that said motion be laid on the table.

Senator Overbey moved that the vote by which the Clincher was applied to **HB 223** be reconsidered. Agreed.

Senator Overbey moved that the vote on **HB 223** be reconsidered. Agreed.

Senator Overbey moved that **HB 223** be laid on the Clerk's Desk. Agreed.

HB 225 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 225.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 225 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 225** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 175 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols moved the Previous Question on **SB 175.** Agreed.

On roll call, the vote was yeas 25—Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hickerson, Howard, Kidwell, Kinkead, McCann, McGinty, Mann, Nichols, Palmer, Raney, Turner, Ware, White. Nays 6—Johnson, Kelly, Kiser, Logan, Overbey, Swope.

SB 175 was passed and the title agreed to.

Senator Nichols moved that the vote by which **SB 175** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 248 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 248.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 248 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 248** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 230 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 230.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 230 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 230** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 2 taken from Orders of the Day, by way of committee substitute, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the adoption of the committee substitute for **SB 2.** Agreed.

Senator Johnson moved the Previous Question on **SB 2,** as amended. Agreed.

On roll call, the vote was yeas 31—Bishop, Bonn, Brand, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Johnson, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

Senator Bishop moved to amend the Title to **SB 2** and that it be known as "The H. Nick Johnson Bill."

SB 2 was passed and the title agreed to.

Senator Johnson moved that the vote by which **SB 2**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Garnett moved that the Rules be suspended for the purpose of introducing a bill.

Introduction of Bill

SB 341, by Senators Garnett, Conley and McCann: AN ACT relating to motor vehicles.

Senator Ware announced a meeting of the Rules Committee for 9 a.m., March 2.

Senator Ware moved that the Senate adjourn until 10 a.m., Friday, March 2. Agreed.

FRIDAY, MARCH 2, 1962

FORTY-EIGHTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers, Pastor of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Derickson, Duncan, Hickerson, Johnson, Martin, Turner and White, who were granted leave of absence on motion of Senator Ware.

Reading of Journal for March 1 dispensed with and the same approved on motion of Senator Ware.

Senator Ware moved that when the Senate adjourns today, it adjourn to meet again at 4 p.m., Monday, March 5. Agreed.

Senator Logan moved that **HB 215** be taken from the Rules Committee and given its first reading. Senators Logan and Swope requested a roll call.

On roll call, the vote was yeas 5—Gardner, Logan, McGinty, Overbey, Swope. Nays 20—Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Garnett, Garrett, Hehl, Kelly, Kidwell, Kinkead, Kiser, McCann, Mann, Nichols, Palmer, Raney, Ware.

The motion to take **HB 215** from committee was defeated.

Introduction of Bills and Resolutions

SB 342, by Senator Buckman: AN ACT relating to revenue and taxation.

SB 343, by Senator Ware: AN ACT relating to unemployment insurance.

SB 344, by Senator McCann: AN ACT relating to finance.

SR 57, by Senator Ware: A RESOLUTION requesting and petitioning the Congress of the United States and the U. S. Corps of Engineers to approve and provide for the immediate passage of the necessary legislation and appropriation of funds for the utilization of the Licking River Basin.

WHEREAS, the U. S. Corps of Engineers has for more than twenty-five years made a study of the Licking River Basin and are at present making a revised study for the development of a comprehensive plan that will best utilize the basin's resources; and

WHEREAS, it appears that the need for said development and the construction of dam or dams is greater than ever before in that there is a great need for a fresh, uncontaminated water supply for the rapidly expanding residential and industrial area of Greater Cincinnati, including Northern Kentucky and area adjacent to said basin, and that the water table in this area is receding and that the normal supply is rapidly becoming inadequate; and

WHEREAS, it appears that such a project would have a good economic result on the depressed areas in Northern and Eastern Kentucky and it has been shown in similar projects that the general economic condition of such areas is greatly enhanced and progressed by such developments; and

WHEREAS, it appears that there is need of such development for flood control purposes and the conservation of natural resources; and

WHEREAS, it appears that the pool or pools created by such dam or dams would provide a recreational area which would be accessible to millions of people in this area and would be national in scope; and

WHEREAS, it appears that the general welfare of the Commonwealth of Kentucky, its people and its industrial development would be best advanced by the immediate development of the potentialities of the Licking River Basin;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Senate does favor and submits this resolution to evidence and express its approval of the immediate development and completion of a comprehensive plan for the utilization of the Licking River Basin and its potential resources, and that advanced planning and construction be initiated at the earliest possible date to insure the achievement of such ends.

Section 2. That the Senate memorializes the Congress of the United States and the U. S. Corps of Engineers to exercise their good offices in promoting the utilization of the Licking River Basin.

Section 3. That the Chief Clerk of the Senate shall send certified copies of this resolution to each member of the Kentucky delegation in the Congress, and to the U. S. Corps of Engineers.

Senator Ware moved the adoption of **SR 57.** Agreed.

House Message

Announcing passage of **HB 26, HB 347, HB 388, HB 397, HB 403, HB 422, HB 443, HB 476, HR 83, SB 4, SB 5, SB 30, SB 36, SB 44, SB 63, SB 86, SB 100, SB 117** (with amendments) **SB 130, SB 131, SB 135, SB 146** (with amendment) **SB 167, SB 168, SB 169, SB 170, SB 173.**

Report of Committee

Rules Committee reported **SB 39, SR 46, HB 315, SB 196, SB 331, SB 52, HB 370, HB 355, HB 417, HB 416, HB 415, HB 414, HB 361, HB 140** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 39, AN ACT relating to tax.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 68.180 of the Kentucky Revised Statutes is repealed.

Section 2. Whereas, the counties affected by this Act will need adequate time to make the many adjustments concerning their future budgets, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

SR 46, A CONCURRENT RESOLUTION urging the Department of Finance to provide services to plan and improve the organization and operation of state agencies, and requesting the Legislative Research Commission to make a study of organization and management services available to state agencies of Kentucky and other states.

WHEREAS, the importance of good organization and management is widely recognized both in private business and in government;

WHEREAS, it has been proved in many instances that careful study of organization and management methods and procedures results in more efficient and economical operation;

WHEREAS, an increased efficiency in Kentucky state government would benefit the taxpayers of the state;

WHEREAS, other states have been moving forward in this area to improve the administration of their governments; and

WHEREAS, KRS 42.030 (2)(d) places the responsibility for developing organization and management plans for the state agencies in the Department of Finance, but the department has been unable to devote sufficient staff and time to such efforts;

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky, the House of Representatives concurring therein:

Section 1. That the General Assembly of the Commonwealth of Kentucky urges the Department of Finance, insofar as available funds permit, to take active and aggressive action under KRS 42.030 (2)(d).

Section 2. That the Legislative Research Commission is authorized and requested to initiate a study on organization and management staff services available in Kentucky and in other states, and to report to the General Assembly the results of the study prior to the 1964 regular session.

HB 315, AN ACT changing the classification of the City of Manchester in Clay County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Manchester, in Clay County, is such as to justify its being classified as a city of the fourth class.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Manchester, in Clay County, is transferred from the fifth to the fourth class of cities.

SB 196, AN ACT relating to the employment of females generally.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 337.365 of the Kentucky Revised Statutes is amended to read as follows:

(1) *Employers shall provide and grant female employes rest periods of at least ten minutes duration during each four hours of employment. The rest periods, as far as practical, shall be allowed during the middle of each four hour period. Lunch periods or any portion thereof shall not be considered rest periods for the purpose of satisfying this section. No reduction in compensation shall be made for the rest periods required by this section.*

[(1) No employer shall require any female to work for more than four hours without rest periods for at least ten minutes. This shall be in addition to the regularly scheduled lunch period. No reduction in compensation shall be made for hourly or salaried employes.

(2) The rest period shall be optional with all employes.]

Section 2. Section 337.370 of the Kentucky Revised Statutes is amended to read as follows:

No female under twenty-one years of age shall be permitted to work at any gainful occupation [except domestic service and nursing] more than *forty-eight* [sixty] hours in any one week, nor more than *nine* [ten] hours in any one day.

Section 3. Section 337.380 of the Kentucky Revised Statutes is amended to read as follows:

No female shall be permitted to work in any *gainful occupation* [laundry, bakery, factory, workshop, store or mercantile, manufacturing or mechanical establishment, hotel, restaurant, telephone exchange or telegraph office] more than *forty-eight* [sixty] hours in any one week, nor more than *nine* [ten] hours in any one day.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

Sections 337.370 and 337.380 of the Kentucky Revised Statutes as amended by Sections 2 and 3 of this Act shall not apply to domestic service in private homes, nursing, employes of the Commonwealth or of the United States or political subdivisions of either, or to technical assistants and stenographers of professions licensed under the laws of the Commonwealth.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) No female shall be permitted to work for more than five hours continuously without an interval of at least thirty minutes for a lunch period, and no period of less than thirty minutes shall be deemed to interrupt a continuous period of work.

(2) Any employer, or any agent, servant or employe of any employer who violates this section shall be fined not less than ten dollars nor more than fifty dollars.

Section 6. Section 337.410 of the Kentucky Revised Statutes is amended to read as follows:

The department shall have [exclusive] jurisdiction over the administration, enforcement, and *prosecution* of *KRS 337.365* [to KRS 337.370] *through KRS 337.400.*

Section 7. Subsection (8) of Section 337.990 of the Kentucky Revised Statutes is amended to read as follows:

(8) Any *employer, or any agent, servant or employe of any employer* [person] who violates any of the provisions of KRS 337.370 to 337.400 shall be fined not less than twenty-five dollars nor more than fifty dollars for the first offense, and for each subsequent offense he shall be fined not less than fifty dollars nor more than two hundred dollars or imprisoned not less than ten days nor more than ninety days, or both.

SB 331, AN ACT relating to policeman and fireman benefits.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 95.861 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon death of a member occurring while in service, arising from any cause other than in the performance of duty, provided the member has had at least ten years of total service, his widow shall receive an annuity equal to one and one-half percent of average salary for each year of total service, credited to the member, subject to the following conditions:

(a) the widow has been married to the member at least one year prior to his death;

(b) The widow is at least forty-five years of age, otherwise payment will be deferred until she attains such age, except that if she is or becomes totally disabled before age forty-five, or has a minor child or children by the member in her care under age eighteen, (including adopted children provided the proceedings for adoption were initiated at least one year prior to death of member) payment of the widow's annuity will begin immediately together with an additional allowance on account of the child or children;

(c) The widow's annuity will terminate in any event when the widow remarries. The annuity of each child or children shall continue until each child attains age eighteen.

(2) If the widow has minor children under age eighteen, the annuity to the widow shall be increased one-half on account of the first child and one-fourth on account of each additional child, subject to a maximum combined payment to the widow and children of fifty percent of the final rate of salary.

(3) These benefits shall also be payable upon death of the member while on retirement, provided marriage was in effect for at least one year before retirement.

(4) These benefits shall also be payable to the widow of a member upon the death of the member who was on retirement on or before July 1, 1956; provided, that the marriage was in effect for at least one year before such retirement.

SB 52, AN ACT relating to a Court sale of real property.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 426.574 of the Kentucky Revised Statutes is amended to read as follows:

(1) A Conveyance made in pursuance of a sale ordered by the court shall pass to the grantee the title of all the parties to the action or proceeding.

(2) Upon motion of either party the court may require the title to any property so conveyed to be insured by a title insurance company qualified to do business in Kentucky. The cost of said insurance shall be taxed as part of the cost of said action.

HB 370, AN ACT relating to planning and zoning.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 100.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 100.320 to 100.990, unless the context requires otherwise:

(1) "Mayor" means the chief elected official of the city whether the official designation of his office is mayor, chairman of the board of trustees or otherwise;

(2) "Legislative body" means the chief legislative body of the city, whether it is a board of aldermen, general council, board of commissioners, or otherwise;

(3) "Streets" includes streets, avenues, boulevards, roads, lanes, alleys, viaducts and other ways;

(4) "Subdivision" means the division of a tract of land into two or more *lots, sites, or parcels* [divisions] for the purpose, whether immediate or future, of sale or of building development and includes resubdivision;

(5) "County commissioners" means chief administrative or legislative body of the county;

(6) "Planning area" means the city and adjoining territory which by reason of existing or future development bears relation to the proper growth and development of the city;

(7) "Commission" means planning commission; and

(8) "County area" means the unincorporated area of the county in which the second class city is located.

Section 2. Section 100.520 of the Kentucky Revised Statutes is amended to read as follows:

Regulations shall be made in accordance with a comprehensive plan and shall be designed to lessen congestion in the streets; to secure safety from fire, panic, *flood* and other dangers; to promote health and the general welfare; to provide adequate light and air; to prevent the overcrowding of land; to avoid undue concentration of population; to facilitate the adequate provision of transportation, water, sewage, schools, parks, and other public requirements. The regulations shall be made with reasonable consideration of the character of the district and its peculiar suitability for particular uses, and with a view to conserving the value of buildings and encouraging the most appropriate use of land.

Section 3. The legislative body of any city of the third, fourth, fifth, and sixth class may enact an interim zoning ordinance to protect and preserve existing land uses while the comprehensive plan is being prepared. Preparation of such interim zoning ordinance shall be contingent upon a finding by the legislative body that further mixing of incompatible land uses would be detrimental to such comprehensive plan. The establishment of such regulations shall be governed by the provisions of KRS 100.530, but shall not be effective for longer than three years after their enactment.

Section 4. Section 100.560 of the Kentucky Revised Statutes is amended to read as follows:

(1) The legislative body *shall* [may] provide for the appointment of a board of adjustment, and *shall* [may] provide that the board of adjustment may make special exceptions to the terms of the ordinance in harmony with its general purpose and intent and in accordance with general or specific rules contained in the ordinance.

(2) The board of adjustment shall consist of five members, each to be appointed for a term of three years, *except that of those first appointed, one shall serve for one year, two for two years, and two for three years. Board members shall be* [and] removable for cause by the appointing authority upon written charges and after public hearing. Vacancies shall be filled by the legislative body for the unexpired term.

Section 5. Section 100.660 of the Kentucky Revised Statutes is amended to read as follows:

In the preparation of the master plan the commission shall make a comprehensive study of present conditions and future growth of the city with due regard to its relation to neighboring territory. The plan shall be made with the general purpose of accomplishing a coordinated and harmonious development of the city and its environs in accordance with present and future needs. The plan shall make adequate provision for traffic, the promotion of safety from fire, *flood* and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the promotion of good civic design and arrangement, wise and efficient expenditure of public funds, and the adequate provision of public utilities and other public requirements.

Section 6. Section 100.740 of the Kentucky Revised Statutes is amended to read as follows:

(1) Before exercising the powers referred to in KRS 100.730 the planning commission shall adopt regulations governing the subdivision of land within its jurisdiction. The regulations may provide for the proper arrangement of streets, for adequate and convenient open spaces for traffic, utilities, access of fire fighting apparatus, recreation, light and air, and for the avoidance of *flood damage,* congestion of population, including minimum width and area of lots.

(2) The regulations may include provisions as to the extent to which streets shall be graded and improved and to which water and sewer and other utility mains, piping, or other facilities shall be installed as a condition precedent to the approval of the plat. The regulations or practice of the commission may provide for a tentative approval of the plat previous to such installation, but any such tentative approval shall be revocable and shall not be entered on the plat. In lieu of the completion of such improvments and utilities prior to the final approval of the plat, the commission may accept a bond with surety to secure to the city the actual construction and installation of the improvements or utilities at a time and according to specifications fixed in accordance with the regulations of the commission. The city may force the bond by all appropriate legal and equitable remedies.

(3) All such regulations shall be published as provided by law, [for the publication of ordinances] and before adoption there shall be a public hearing. A copy of the regulations shall be certified by commission to the county clerks of the counties in which the city and territory are located.

Section 7. Section 100.760 of the Kentucky Revised Statutes is amended to read as follows:

(1) The city shall not accept, lay out, improve or light any street, or lay or authorize water mains or sewers or connections to be laid in any street within the territory for which the planning commission has adopted a major street plan, unless the street has been accepted or opened or otherwise has received the legal status of a public street prior to the adoption of the plan; or unless the street corresponds with a street shown on the official master plan or with a street on a subdivision plat approved by the planning commission or with a street on a street plat made and adopted by the commission.

(2) But the legislative body may accept a street not shown on or not corresponding with a street on the official master plan or on an approved subdivision plat or an approved street plat, if the ordinance accepting the street is first submitted to the planning commission for its approval and, if approved by the commission, is passed by not less than a majority of the entire membership of the legislative bodv, or, if disapproved by the commission, is enacted or passed by not less than two-thirds of the entire membership of the legislative body. A street approved by the planning commission upon submission by *the legislative body,* [council] or a street accepted by a two-thirds vote after disapproval by the planning commission, shall have the status of an approved street as fully as though it had been originally shown on the official master plan or on a subdivision plat approved by the commission or had been originally platted by the commission.

Section 8. Section 100.854 of the Kentucky Revised Statutes is amended to read as follows:

(1) It shall be the function and duty of each commission to prepare and approve a comprehensive plan for the physical development of the city and the area of the county encompassed by the territorial jurisdiction of each commission, and to submit and recommend same to the fiscal court and to the legislative body of the city for adoption or rejection. The legislative body or fiscal court may adopt that portion of the comprehensive plan or parts thereof that pertain to its area of jurisdiction separate from the action of the other body.

(2) Said comprehensive plan shall show and include:

(a) A master plan, as defined and provided for in *KRS 100.650 through 100.680* [KRS 100.046 through 100.051];

(b) A zoning plan and regulations and restrictions relating thereto, as defined and provided for in *KRS 100.500 through 100.530* [KRS 100.066 through 100.073]; and

(c) Subdivision control regulations and restrictions relating thereto, as defined and provided for in *KRS 100.730 through 100.780* [KRS 100.087 through 100.093]. *Wherever appropriate within the context of Sections 100.650 through 100.680; 100.500 through 100.530; 100.730 through 100.780; and 100.980 through 100.990 the words "city" and "municipal" shall include the word "county;" the words "legislative body" shall include the words "fiscal court;" and the word "ordinance" shall include the word "order."*

(3) In the preparation of the comprehensive plan, and at all times thereafter, it shall be the duty of the commission to consult and advise with public officials and agencies, including the city and county board of health or its successor or successors, public utility companies, civic, educational, agricultural, professional and other organizations, and with citizens, regarding the preparation, protection and carrying out of the plan. The commission, its members, officers, and employes, in the performance of their duties and functions, may enter upon any land and make examinations and surveys that do not occasion damage or injury to private property. In general, the commission shall have such powers as may be necessary to enable it to fulfill its duties and functions, to promote city and county planning, and to carry out the purposes of KRS 100.850 to 100.872.

(4) The commission may, from time to time, recommend to the appropriate public officials programs for the acquisition of land and the construction of public structures and improvements, and for the financing thereof.

(5) The commission shall have power to promote public interest in an understanding of the comprehensive plan, and part and parts thereof, and to that end may publish and distribute copies thereof, or of any report relating thereto, and may employ such other means of publicity and education as it may determine.

(6) From and after the time the subdivision control regulations and restrictions of a joint city-county planning commission are adopted

and in force, the provisions of KRS 100.720 which authorize city planning commissions to exercise subdivision control over land located outside the corporate limits of cities shall not apply within the area of jurisdiction of such joint city-county planning commission. Similarly, the provisions of KRS 100.650, 100.730, 100.760, 100.780, 100.790 and any other provisions of the Kentucky Revised Statutes which give specific or implied authority to city legislative bodies and city planning commissions to include and regulate land located outside the corporate limits of cities in the major street plans or in any other portions or elements of the master plans of cities, shall not apply within the area of jurisdiction of a joint city-county planning commission from and after the time the subdivision control regulations and restrictions of such joint city-county planning commission are adopted and in force.

Section 9. Any comprehensive plan, or portion thereof, or any ordinances, resolutions, orders, regulations and restrictions or amendments relating thereto, adopted prior to the effective date of this Act and in effect within the respective jurisdiction of any city or county shall continue and remain in full force and effect until superseded by new comprehensive plans, or portions thereof, or any ordinances, resolutions, orders, regulations and restrictions or amendments relating thereto.

HB 355, AN ACT relating to tobacco.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A Tobacco Board of Trade shall be organized on every market at which tobacco is offered for sale at auction and each board shall have the objects, purposes, and powers to: promote a more orderly market for the sale of tobacco at auction; prevent market gluts by arranging for a more orderly flow of tobacco through the warehouses; encourage ethical practices in the auction system; support the continuation of the production control program; adopt bylaws or regulations defining voting rights of the Tobacco Board of Trade members; collect dues and initiation fees to cover the operating expenses of the Tobacco Board of Trade; adopt regulations for the conduct of the tobacco market including the allocation of selling time and selling space.

Section 2. The membership of each Tobacco Board of Trade shall be divided into two classes; active members and associate members. Any person, partnership, corporation, or association operating a loose leaf auction warehouse or warehouses shall be eligible for active membership in the Tobacco Board of Trade, provided, however, that each Board of Trade shall have the right to establish the basis of voting rights for its warehouse members according to floor space, ownership, number of separate warehouse buildings, or otherwise. Any person, partnership, corporation, or association not eligible for active membership but holding a tobacco dealer's license and purchasing tobacco pursuant to said license upon the market governed by the Tobacco Board of Trade shall be eligible for election as an associate member. Each associate member shall have the option of becoming, upon written notice to the Tobacco Board of Trade, either a participating or a non-participating member. A non-participating member shall not have the right to vote upon any question coming before the Tobacco Board of Trade. A participating associate member shall not participate in or have any voice or vote in the management, conduct, activities, allotments of sale time and/or hours, affixing of dates for the opening or closing of the tobacco markets serviced by the Tobacco Board of Trade, or in any other manner or respect relating strictly to the functions normally performed by the warehouse members of the Tobacco Board of Trade.

Section 3. Every tobacco warehouse offering tobacco for sale at auction shall be a member of its local Tobacco Board of Trade, and membership in good standing shall be deemed to be a reasonable requirement by such Tobacco Board of Trade as a condition precedent to participating in the business of operating a tobacco warehouse or the purchase of tobacco at auction therein.

HB 417, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 47.110 of the Kentucky Revised Statutes is amended to read as follows:

Twelve and one-half percent of the revenue received from the tax imposed by paragraphs (b) and [(e)] (d) of subsection (1) of KRS 142.010, shall be returned to the county in which the tax was paid and be credited to the General Fund of the county.

HB 416, AN ACT relating to appropriations and allotments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 45.160 of the Kentucky Revised Statutes is amended to read as follows:

Except as deviations therefrom are made necessary by changes in conditions of operations, to meet unforeseen contingencies, to correct errors, or to avoid cash deficits, the heads of the budget units, the Department of Finance and the Governor, in allotting appropriations for expenditure, shall be governed by the work plans formulated by the heads of the budget units as shown in the detailed budget estimates as enacted by the General Assembly, and the heads of the budget units shall hold to the work plans and detailed expenditure estimates as authorized and approved on advices of allotments. The Commissioner of Finance shall make quarterly allotments of appropriations, except in the case of appropriations for the purpose of capital outlay for buildings, roads and bridges, and for printing, as provided in KRS 45.200. In any other cases where periodic allotments as provided for herein are impracticable, the department may prescribe a different period suited to the circumstances, not exceeding one year nor extending beyond the end of the biennium. The department shall have authority at any time to modify or amend any allotment previously made by it, upon application of, or upon notice to, the department or agency concerned, provided that no such modification or amendment shall reduce an allotment below the amount required to meet valid obligations or commitments previously incurred against the allotted funds. In making the allotments the expenditures to be authorized shall be classified according to purpose or type, and the funds allotted for each purpose or type of expenditure shall be used for no other purpose, except that the head of any budget unit with the approval of the Commissioner of Finance, may transfer allotted funds from one purpose or type of expenditure to another, within the budget unit. In no case shall obligations be incurred or expenditure made in excess of the total amounts allotted. The decision of the Commissioner of Finance as to the amount of any allotment for any fiscal quarter or other period or as to the purposes for which money allotted may be expended, shall be final and conclusive. *The Commissioner of Finance is authorized, empowered and directed by the General Assembly to reduce any appropriation and withhold allotments therefrom to prevent an overdraft or deficit in any fiscal year for which any appropriation is made; provided, however, that the power vested shall not permit any reduction of the appropriation of any officer, board, commission, institution, or subdivision of State Government that will actually impair the necessary constitutional functions of any agency whose operations and functions are determined to be necessary constitutional functions of government.*

HB 415, AN ACT relating to license fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 137.115 of the Kentucky Revised Statutes is amended to read as follows:

The fiscal court of each county is hereby given the authority to impose with respect:

(1) To each restaurant serving meals, a license fee not to exceed ten dollars per annum;

(2) To each retail outlet of soft drinks or ice cream, a license fee not to exceed five dollars per annum. In cases where ice cream

and soft drinks are sold by the same retail outlet, one license tax not to exceed ten dollars per annum;

(3) To each billiard or pool table or bowling alley, irrespective of size, where a fee is charged and collected, directly or indirectly, a license fee not to exceed thirty dollars per annum for the first table or alley and not to exceed five dollars per annum for each additional table or alley;

(4) To each place where tobacco products are sold at retail, a license fee not to exceed ten dollars per annum;

(5) *All license fees shall be payable to the county clerk and be credited to the General Fund of the county to be used for county purposes only;*

(6) The fiscal court of any county may allow the county clerk a commission not to exceed five percent on the license fees collected and accounted for by him under this act in addition to the one dollar and a half fee provided in KRS 64.010.

(1) Any person who violates any of the provisions of KRS 137.020 or 137.030 shall be fined not less than one hundred dollars nor more than five hundred dollars, or imprisoned for not less than thirty days nor more than six months, or both.

(2) (a) Any person who engages in any business or sells or offers to sell or has on hand for the purpose of sale any article or exercises any privilege for which a license is required *or imposed* by KRS 137.040 to [137.110] *137.115* before procuring the license and paying the tax, shall be fined not less than twenty-five dollars nor more than two hundred dollars for each offense, unless otherwise specifically provided.

(b) Any county clerk who violates any of the provisions of KRS 137.040 to [137.110] *137.115*, or any reasonable rule or regulation of the Department of Revenue thereunder, shall be fined not less than fifty dollars nor more than one thousand dollars for each offense.

(c) Any person who makes under oath a false statement in securing a license under KRS 137.040 to [137.110] *137.115* shall be deemed guilty of a misdemeanor.

(3) (a) Any person required to register, make reports, or collect and pay taxes under the provisions of KRS 137.120 to 137.160 who fails to pay taxes, penalty and interest after becoming delinquent, or fails for thirty days after the required date to make a report or register, shall pay a penalty of ten percent on the amount of tax due, and shall pay an additional penalty of five percent on the first day of each month so long as the tax remains due and unpaid, except the total penalty paid shall not exceed twenty-five percent of tax due.

(b) Any person who violates any of the provisions of KRS 137.120 to 137.160 may be fined not less than one hundred dollars nor more than five hundred dollars or imprisoned for not less than thirty days nor more than six months or both.

(4) Any person who violates any of the provisions of KRS 137.170 or 137.180 shall be fined not more than one thousand dollars or imprisoned in the county jail not more than thirty days, or both so fined and imprisoned. If the offender is a corporation, the principal officer or the officer or employe directly responsible for the violation, or both, shall be punished as provided in this subsection.

[(7)] *(5)* Whoever violates any of the provisions of KRS 137.340 to 137.400 shall, upon conviction thereof, be fined not less than twenty-five dollars nor more than five hundred dollars. Whoever attaches or causes to be attached to a coin machine any fictitious evidence of tax payment purported to be issued by the department, or a counterfeit thereof, shall upon conviction thereof be fined not less than one thousand dollars, and each separate fictitious counterfeit license stamp or receipt so attached or used on a coin machine shall constitute a separate and distinct offense.

HB 414, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 116.190 of the Kentucky Revised Statutes is amended to read as follows:

Whenever the public convenience or the public good requires it, the county court of any county may change the boundaries of any election precinct in the county, or divide any precinct into two or more precincts, or consolidate two or more precincts into one, but no change, division or consolidation shall be made *less than sixty days before the next primary election or general election* [after the June term of the court next preceding an election]. No change, division or consolidation shall be valid unless due notice is given, at least one month before any election, by one publication in the newspaper published in the county that has the largest circulation therein, or by posters put up in four of the most public places in the precinct.

HB 361, AN ACT relating to business development corporations and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 155.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any financial institution may request membership in the corporation by making application to the board of directors on such form and in such manner as said board of directors may require, and

membership shall become effective upon acceptance of such application by said board.

(2) Each member of the corporation shall make loans to the corporation as and when called upon by it to do so on such terms and other conditions as shall be approved from time to time by the board of directors, subject to the following conditions:

(a) All loan limits shall be established at the thousand-dollar amount nearest to the amount computed in accordance with the provisions of this section;

(b) No loan to the corporation shall be made if immediately thereafter the total amount of the obligations of the corporation would exceed ten times the amount then paid in on the outstanding capital stock of the corporation;

(c) The total amount outstanding on the loans to the corporation made by any member at any one time, when added to the amount of the investment in the capital stock of the corporation then held by such member, shall not exceed:

1. Twenty percent of the total amount then outstanding on loans to the corporation by all members, including in said total amount outstanding, amounts validly called for loan but not yet loaned;

2. The following limit, to be determined as of the time such member becomes a member on the basis of the audited balance sheet of such member at the close of its fiscal year immediately preceding its application for membership, or, in the case of an insurance company, its last annual statement to the Commissioner of Insurance; two percent of the capital and surplus of commercial banks and trust companies; *two percent of all reserves, surplus, and undivided profits of a building and loan association or one-fourth of one percent of the total outstanding loans made by such association, whichever is the lesser;* [one percent of the total outstanding loans made by a building and loan association: Provided, however, that any business development corporation created pursuant to this chapter may in its articles of incorporation, or by appropriate amendment thereto, provided that the loan limit of a building and loan association member shall be only one-half of one percent of ten total outstanding loans made by such building and loan association member.] one percent of the capital and unassigned surplus of stock insurance companies, except fire insurance writing companies; one percent of the unassigned surplus of mutual insurance companies, except fire insurance writing companies; one-tenth of one percent of the assets of fire insurance writing companies; and such limits as may be approved by the board of directors of the corporation for other financial institutions.

Section 2. Section 155.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) The business and affairs of the corporation shall be managed and conducted by a board of directors, a president and treasurer, and such other officers and such agents as the corporation by its bylaws shall authorize. The board of directors shall consist of such number, not less than fifteen nor more than *thirty,* [twenty-one] as shall be determined in the first instance by the incorporators and thereafter annually by the members and the stockholders of the corporation.

(2) The board of directors may exercise all the powers of the corporation except such as are conferred by law or by the bylaws of the corporation upon the stockholders or members and shall choose and appoint all the agents and officers of the corporation and fill all vacancies, except vacancies in the office of director, which shall be filled as hereinafter provided.

(3) The board of directors shall be elected in the first instance by the incorporators and thereafter at each annual meeting of the corporation, or, if no annual meeting is held in any year at the time fixed by the bylaws, at a special meeting held in lieu of the annual meeting. At each annual meeting, or at each special meeting held in lieu of the annual meeting, the members of the corporation shall elect two-thirds of the board of directors and the stockholders shall elect the remaining directors. The directors shall hold office until the next annual meeting of the corporation or special meeting held in lieu of the annual meeting after their election and until their successors are elected and qualified unless sooner removed in accordance with the provisions of the bylaws. Any vacancy in the office of a director elected by the members shall be filled by the directors elected by the members, and any vacancy in the office of a director elected by the stockholders shall be filled by the directors elected by the stockholders.

(4) Directors and officers shall not be responsible for losses unless the same shall have been occasioned by the wilful misconduct of such directors and officers.

Section 3. Whereas it is necessary that Sections 1 and 2 of this Act become effective immediately, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

HB 140, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 431.105 of the Kentucky Revised Statutes is amended to read as follows:

Notwithstanding any other statutory provisions to the contrary, all fines and forfeitures recovered in any court as a result of a conviction for the violation of any of the provisions of KRS 189.221, 189.222 or 189.270, which violation occurred on a state-maintained highway and arrest was made by [a member of a city police force] *any peace officer other than a member of the Department of Public Safety, Department of Highways or Department of Motor Transportation,* shall inure to the benefit of the state, shall be paid [into the General Fund of the State Treasury] *to the State Treasurer for the use and benefit of the Department of Highways,* and no part shall be returned to the local governmental units from which they were sent. *These fines and forfeitures shall be paid into the State Treasury by the court collecting same and within thirty days after imposition and collection.*

Report on Enrolled Bills

Committee on Enrollment reported **HB 19, HB 113, HB 121, HB 231, HB 233** had been examined and found correctly enrolled. **HB 19, HB 113, HB 121, HB 231, HB 233** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Calendar

SB 64, SB 138, SB 183, HB 321, HB 380, SB 239, SB 262, HB 239, SB 323, SB 324, SB 325, SB 326, HB 437, HB 366, HB 356, HB 293, HB 205, HB 191, HB 128, HB 9, HB 228, SB 38, SB 311, SB 315, SB 212, SB 215, SB 285, HB 382, HB 329, HB 247, SB 301, HB 60, SB 200, HB 264, SB 174, HB 74, HR 56, HR 43 taken from the Calendar and ordered real at length for the second time. Senator Ware moved they be read by title only. Agreed by a majority of members elected.

Motions, Petitions and Communications

Senator Ware moved that the Senate take up **SB 117** for concurrence in the House Amendments. Agreed.

Senator Ware moved to adopt House Amendment #1 to **SB 117** as follows: amend printed copy of Senate Bill 117 on Page 11, Section 7, Paragraph 5, by deleting lines 8, 9, 10 and 11:

"; by a corporation, person, partnership or individual affiliated with or owned by the same corporation conducting the business authorized in this Act."

And inserting in lieu thereof:

"or solicit any other business, or associate, or be in conjunction with any other business except upon a written authorization by the Commissioner." Agreed.

Senator Ware brought up for consideration House Amendment #2 to **SB 117**, which is as follows: amend printed copy of Senate Bill 117 on Page 7, Line 27, by adding the following:

"Provided, however, that the certificate holder may collect premiums actually paid for insuring real property pledged as security on a loan, and in addition may charge and collect only for insurance premiums under the provisions and limitations provided in KRS 288.560."

The Senate refused to concur in House Amendment #2 to **SB 117** and respectfully asked the House to recede. Agreed.

Senator Ware moved that the Senate take up **SB 146** for concurrence in the House Amendment. Agreed.

Senator Garnett moved the adoption of House Amendment #1 to **SB 146** as follows:

amend printed copy of Senate Bill 146, on Page 9, Line 9, by: adding the words "by registered mail" after the words "written notice."

Senator Garnett moved the Previous Question on **SB 146,** as amended. Agreed.

On roll call, the vote was yeas 27—Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 0.

SB 146 was passed and the title agreed to.

Senator Garnett moved that the vote by which **SB 146,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

Orders of the Day

Senator Howard moved that the vote by which the Clincher was adopted on **SB 201** be reconsidered. Agreed

Senator Howard moved that the vote to amend **SB 201** be reconsidered. Agreed.

Senator Howard moved that the vote on **SB 201** be reconsidered. Agreed.

Senator Howard moved to amend **SB 201** as follows:

Amend printed copy of Senate Bill 201, on page 1, line 10, by deleting "non-" and in inserting "basis;" on page 1, deleting line 11; on page 1, line 12, deleting "its ability to service the policy." Agreed.

Senator Howard moved the Previous Question on **SB 201,** as amended. Agreed.

On roll call, the vote was yeas 26—Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 0.

SB 201 was passed and the title agreed to.

Senator Howard moved that the vote by which **SB 201,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 280 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Craft moved the Previous Question on **SB 280.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 0.

SB 280 was passed and the title agreed to.

Senator Craft moved that the vote by which **SB 280** was passed be reconsidered and that said motion be laid on the table. Agreed.

SR 39 taken from Orders of the Day, by way of committee substitute, and ordered read at length for the third time. Senator Ware moved it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the adoption of the committee substitute for **SR 39.** Agreed.

Senator Duffy moved to amend the committee substitute for **SR 39** as follows: amend printed copy of Committee Substitute for Senate Resolution 39 on page 2, lines 13 and 14, by deleting the words: "Auditor of Public Accounts" and inserting in lieu thereof the words "Commissioner of Finance;"

and in line 14, by deleting the word "Auditor" and inserting in lieu thereof the word "commissioner." Agreed.

Senator Duffy moved the Previous Question on **SR 39,** as amended. Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Ware. Nays 1—Overbey.

SR 39 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SR 39,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 71 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 71.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 1—Howard.

SB 71 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 71** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 125 taken from Orders of the Day, by way of committee substitute, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the adoption of the committee substitute for **SB 125.** Agreed.

Senator Kinkead moved the Previous Question on **SB 125,** as amended. Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 0.

SB 125 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 125,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 229 taken from Orders of the Day. Senator Ware moved that **SB 229** be recommitted to the Rules Committee. Agreed.

SB 294 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Mann moved the Previous Question on **SB 294.** Agreed.

On roll call, the vote was yeas 24—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Howard, Kidwell, Kinkead, Logan, McCann, Mann, Miller, Nichols, Palmer, Raney, Swope, Ware. Nays 5—Gardner, Kelly, Kiser, McGinty, Overbey.

SB 294 was passed and the title agreed to.

Senator Mann moved that the vote by which **SB 294** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 249 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 249.** Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 0.

SB 249 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 249** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 263 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 263.** Agreed.

On roll call, the vote was yeas 24—Bishop, Blue, Bonn, Buckman, Cobb, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Ware. Nays 0.

SB 263 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 263** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 275 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Swope moved the Previous Question on **SB 275.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Swope, Ware. Nays 0.

Senator Overbey moved to amend the Title to **SB 275** to read:

"AN ACT establishing a State Theatre of Kentucky and to be known as the John W. Swope Act." Agreed.

SB 275 was passed and the title agreed to.

Senator Swope moved that the vote by which **SB 275** was passed be reconsidered and that said motion be laid on the table. Agreed.

The President vacated the chair, the President Pro Tem presided.

SB 267 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 267.** Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Nichols, Overbey, Palmer, Swope, Ware. Nays 0.

SB 267 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 267** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 303 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 303.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Swope, Ware. Nays 0.

SB 303 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 303** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 321 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 321.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Buckman, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Swope, Ware. Nays 0.

SB 321 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 321** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 185 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 185.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Buckman, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware. Nays 0.

HB 185 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 185** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 312 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 312.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Ware. Nays 0.

SB 312 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 312** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Ware moved that the Senate adjourn until 4 p.m., Monday, March 5. Agreed.

MONDAY, MARCH 5, 1962

FIFTIETH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers, Pastor of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Derickson, Edwards and Miller, who were granted leave of absence on motion of Senator Ware.

Reading of Journal for March 2 dispensed with and the same approved on motion of Senator Ware.

Introduction of Bills

SB 345, by Senator Turner: AN ACT relating to county buildings and the financing thereof.

SB 346, by Senator McCann: AN ACT relating to newspapers.

SB 347, by Senator Ware: AN ACT relating to the county board of election commissioners.

Report of Committee

Rules Committee reported **HB 161, HB 208, HB 285** (Committee Substitute), **HB 398, HB 404, HB 213, HB 413, SB 281, SB 292, SB 293, SB 342, HB 443, HB 199, SB 242, HB 274** (Committee Substitute), **HB 62, SB 188**, with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 161, AN ACT relating to tuberculosis sanatoriums.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 215.360 of the Kentucky Revised Statutes is amended to read as follows:

Whenever any county has heretofore acquired or may hereafter acquire any property for the purpose of forming a district for the erection and maintenance of a tuberculosis sanatorium and the property has ceased to be used for that purpose, it may, upon the petition of the fiscal court of the county, be ordered sold *or leased* by the circuit court of the county, or, where the district is composed of more than one county, the circuit court of any of the counties, and the net proceeds *together with any excess funds in the treasury of the district* paid into the *general fund of the* proper county treasury or treasuries. The board of trustees of the district shall be made defendants to the petition unless they have resigned or ceased to act, in which case the proceeding may be by an ex parte petition by the fiscal court. In either case the court shall be satisfied that the facts stated in the petition are substantially true and comply with this section. The court being so satisfied shall decree the sale *or lease* of the property upon just and proper terms and conditions and shall make the orders necessary to vest the purchaser with title to the property, *or the lessee with possession of the property. Where the district consists of only one county the circuit court may, as an alternative to the above, authorize the fiscal court of said county to take possession of and title to the property and use it for such public purpose or purposes as the circuit court may deem proper.*

Section 2. Whereas, the immediate use of such property will contribute greatly to the health and welfare of the citizens of the state, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

HB 208, AN ACT relating to a Professional Practices Commission to establish and administer criteria for professional performance and to recommend to the State Board of Education or other agencies appropriate action based upon the findings of this commission.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Governor shall appoint a Professional Practices Commission of twelve members nominated by the teaching profession and submitted by the Superintendent of Public Instruction to the Governor.

Section 2. Each of the following organizational units shall submit a panel of three names from each of which the Governor will select one: The Kentucky Association of School Administrators, The Kentucky Association of Secondary School Principals, The Kentucky Association of Elementary School Principals, The Kentucky Association of Educational Supervisors, The Department of Higher Education, and the Kentucky Vocational Association, the Kentucky Association of Pupil Personnel Workers and the Kentucky Association of Guidance Counselors. The Department of Classroom Teachers shall submit a panel of twelve members from which the Governor will select four. The term "Classroom teacher" for the purpose of this act shall mean any person for whom certification is required as basis of employment in the public schools of Kentucky with the exception of any personnel identified with professional groups named in this Act other than the Department of Classroom Teachers. Terms will be overlapping and for a period of three years with members drawing by lot at the first meeting to determine the length of the term for each member. No member may succeed himself more than once. This commission would have the authority to select its own chairman, establish procedures for the development of standards, adopt the rules and regulations under which it operates, and secure legal and other services necessary to its function.

Section 3. The commission is given the initial responsibility of developing, through the teaching profession itself, criteria of professional practices in areas including, but not limited to: (1) Contractural obligations, (2) Transfer and assignment of teaching personnel, (3) Admission to and continuance in professional service, and (4) Ethical performance.

Section 4. This commission, in administering these criteria, shall have the authority to reprimand or warn members of the profession. Further, the commission shall have authority to make recommendations to the State Board of Education in cases involving suspension or revocation of certificates and to make any other recommendations to the State Board and to local boards of education which would promote improvement of the teaching profession. This commission shall have the authority to subpoena witnesses and place them under oath.

Section 5. The commission shall be financed by the members of the teaching profession in the amount necessary to carry out the purposes of this Act.

HB 285, AN ACT providing for the ad valorem taxation of housetrailers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

As used in this Act, unless the context otherwise requires:

(1) "Housetrailer" means any housetrailer or mobile home which is a self-propelled or non-self-propelled vehicle or similar portable structure used or maintained for use, or so constructed as to permit its being used, as a conveyance upon public streets or highways, and designed to permit the occupancy thereof as a permanent or temporary dwelling place for one or more persons, or as a sleeping place for one or more persons, or the conduct of any business or profession, occupation or trade, or which is held for sale or lease, whether resting on wheels, jacks or other foundations.

(2) "Trailer park" means any "trailer coach park" or "trailer court" or "parking space" or area of land upon which one or more housetrailers are harbored, either free of charge or for revenue purposes.

(3) "Unit" means any single housetrailer or mobile home.

(4) "Permanent, fixed foundation" means a foundation permanent in nature which is so constructed as to be fixed upon the surface of the land.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

All housetrailers which are within this state on January 1 each year shall be subject to all ad valorem tax levies applicable to other tangible personal property subject to full state and local rates, except that, any housetrailer not licensed in this state and not remaining within this state for a period of more than ninety days in any twelve month period shall not have a taxable situs in this state unless an occupant is employed in this state.

Section 3. Section 132.260 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every warehouse company and every person engaged in the business of furnishing storage for personal property shall by February 1, 1961, and February 1 of each year thereafter, make a report to the county tax commissioner, giving, as far as possible, accurate and complete information as to all property held by them on January 1, 1961, and January 1 of each year thereafter, and the names and residences of the owners of all property so held on that date.

(2) Every person providing rental space for the parking of housetrailers [and mobile homes] shall by February 1, 1961, and by February 1 of each year thereafter, report the name of the owner and type and size of all housetrailers [and mobile homes] not registered in this state under KRS 186.655 on his premises on January 1, 1961, and January 1 of each year thereafter to the county tax commissioner of the county in which the property is located.

(3) The reports required by subsections (1) and (2) shall be made in accordance with the forms prescribed by the Department of Revenue and shall be signed and verified by the chief officer or person in charge of the business.

(4) The county tax commissioner may make a personal inspection and investigation of property held in storage and premises on which housetrailers [or mobile homes] are located, for the purpose of identifying and assessing such property. No person in charge of such premises shall refuse to permit the inspection and investigation.

(5) Every operator of a trailer park or every owner of property used for such purposes when there is no operator, shall keep a register of all housetrailers which make use of the trailer park. Such register shall set forth:

(a) The name of the owner or occupier and all inhabitants of each housetrailer;

(b) The permanent and temporary post office addresses of all inhabitants;

(c) The license numbers of all units;

(d) The state issuing such license;

(e) The date of arrival and departure of each housetrailer;

(f) The place of employment of all occupants.

(6) The register provided for in subsection (5) of this section shall be open to inspection to the county clerk and the county tax commissioner and all law enforcement agencies at all times.

(7) Every operator of a trailer park or every owner of property used for such purposes when there is no operator, shall during December, January and February each year furnish weekly to the county tax commissioner a copy of the register.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

Notwithstanding the provisions of KRS 132.485 the county tax commissioner shall notify the owner or occupier of each housetrailer of his assessment.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

If the wheels or mobile parts have been removed from a housetrailer and the unit rests on a permanent, fixed foundation, it shall be classified as real estate.

HB 398, AN ACT relating to county officers and employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.530 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in subsections (2) and (3) of this section, the fiscal court of each county shall fix the compensation of every county officer and employe. For the purposes of this section, master commissioners and receivers in counties other than those containing a population of 75,000 or more, and justices of the peace and constables in all counties, shall be deemed to be county officers, and deputies or assistants of county officers shall be deemed to be county employes, but employes of county boards or commissions which are now authorized by law to fix the compensation of their employes shall not be deemed to be county employes for the purposes of this section. In the case of officers compensated from fees, or partly from fees and partly by salary, the fiscal court shall fix the maximum compensation that the officer may receive, from both sources, and

also shall have authority to fix the number of deputies and assistants, and the compensation thereof, and the maximum amount that the officer may expend each year for expenses of his office. In the case of county officers elected by popular vote, the compensation of any such officer, and of his deputies and assistants, during the term of those in office on June 30, 1950, shall not be fixed at less than that fixed by the law in force and effect on November 1, 1949. In the case of county officers elected by popular vote, for terms commencing after June 30, 1950, the annual compensation of the officer and of his deputies and assistants shall be fixed by the fiscal court not later than the first Monday in May in the year in which such officers are elected, and shall not be changed during the term, *except that the fiscal court may increase the number of deputies and assistants and fix their maximum compensation.*

(2) Nothing in this section shall apply to county tax commissioners or their deputies, assistants and expenses, in any county, or to the circuit court clerk, county court clerk, sheriff, jailer, master commissioner or receiver, and their deputies, assistants and expenses, in counties having a population of 75,000 or more.

(3) Justices of the peace serving on a fiscal court in any county, and county commissioners serving on a fiscal court in any county other than one containing a city of the first, second, third or fourth class, shall be paid for their services, out of the county treasury, not to exceed fifteen dollars per day for each day of actual attendance of the meetings of the fiscal court. The fiscal court shall fix the amount to be received within the above limit, but with the exception of the terms that are being served on June 30, 1950, no change of compensation shall be effective as to any member of a fiscal court during his term of office. The compensation of county commissioners serving on fiscal courts in counties containing a city of the first, second, third or fourth class shall continue to be limited as provided in subsections (1), (2), (3) and (4) of KRS 67.110, and nothing in KRS 64.480 to 64.760 is intended to authorize any change in such compensation during the term of any member. County Commissioners or justices of the peace shall not receive any compensation for their services on the fiscal court, other than as provided in this section or subsections (1), (2), (3) and (4) of KRS 67.110, nor shall they receive any compensation for serving on committees of the fiscal court.

(4) Circuit court clerks in counties other than those containing a population of 75,000 or more shall receive as compensation per year the maximum compensation allowed by law for circuit court clerks of this Commonwealth, provided fees or funds for this purpose are sufficient. The first deputy shall be allowed to receive a salary not to exceed $5400 per year; the second deputy shall be allowed to receive a salary not to exceed $4800 per year and other deputies shall be allowed to receive a salary not to exceed $3600 per year. Each

circuit clerk shall be allowed to fix the amount of the salary of each of his deputy clerks.

HB 404, AN ACT relating to county employes' civil service and retirement.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 78.400 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 78.400 to 78.460 and 78.990, the following words and terms shall have the following meaning:

(1) "Board' means the county police force merit board or boards hereinafter created.

(2) "Chief" means the chiefs of the county police forces affected by KRS 78.400 to 78.460 and 78.990.

(3) "Assistant Chief" means the next in command to the chiefs of the county police forces affected by KRS 78.400 to 78.460 and 78.990.

(4) "Secretary" means the executive secretary and examiner employed by the county police force merit board or boards hereinafter created.

(5) "Officer" means any member of the county police forces affected by KRS 78.400 to 78.460 and 78.990 [excluding the chiefs and assistant chiefs but] including *chiefs and assistant chiefs and* all commissioned or non-commissioned patrolmen, corporals, sergeants, lieutenants and captains.

(6) "Employe" means all other employes of the county police forces affected by KRS 78.400 to 78.460 and 78.990.

Section 2. Section 78.405 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any county of the Commonwealth of Kentucky may, by order of its fiscal court, duly made and entered of record, create a county police force merit system, and for that purpose, establish a county police force merit board, whose duties it shall be to classify and examine applicants seeking employment as officers or employes of the police force of the said county, [excluding the chief and assistant chief,] and in addition to promulgate rules and regulations governing the classification, qualification, examination, appointment, promotion, demotion, fine, suspension and other disciplinary action within the said county police force of all personnel of the county police force or forces affected and covered by KRS 78.400 to 78.460 and 78.990, and in addition thereto, to hold such hearings, public and executive, and impose such penalties upon the personnel affected by KRS 78.400 to 78.460 and 78.990.

(2) Fiscal courts affected hereby shall make appropriations of money for the reasonable and necessary expenses of the said board.

Section 3. Section 78.425 of the Kentucky Revised Statutes is amended to read as follows:

(1) All police officers of whatever rank and title [except the chief and assistant chief of county police], and all employes of every county police force affected by KRS 78.400 to 78.460 and 78.990 are covered by the provisions hereof. All such covered officers and employes of every county police force on active duty or service as of the effective date of a duly made and entered order of the fiscal court of the said county creating a county police merit system and board, shall be deemed fit and qualified to continue their respective duties of employment on or for their respective county police force without examination or further qualification, except and unless the chief of police of any county police force shall within sixty days after the establishment of the board certify to the said board that any officer or employe is physically unfit to continue his or her duties.

(2) All personnel covered by the provisions of KRS 78.400 to 78.460 shall be deemed to be permanent employes subject to their ability to satisfactorily perform their respective duties and further subject to their good behavior.

Section 4. Section 78.430 of the Kentucky Revised Statutes is amended to read as follows:

(1) Within ten days after the creation of any board under KRS 78.400 to 78.460, the *county judge* [chief] shall certify to the board the names, rank, rate of pay, the seniority of every officer and employe on the police force as of the effective date of the fiscal court order creating the board.

(2) If there is a board in existence on the effective date of this 1962 Act, the county judge shall within thirty days certify the chief and assistant chief to the board.

HB 213, AN ACT relating to building inspectors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 67.410 of the Kentucky Revised Statutes is amended to read as follows:

(1) The fiscal court of any such county containing a city of the first *or second* class may appoint a qualified and competent person to administer such regulations. His official title shall be "Building Inspector of ________________ County, Kentucky." His salary shall be fixed by the fiscal court, and paid out of the county levy. He shall have such deputies and assistants as the fiscal court deems necessary,

and their salaries shall likewise be fixed by the fiscal court and paid out of the county levy. The fiscal court shall also pay out of county funds the necessary expenses of his office. The fiscal court may contract with individuals or corporations for the performance of technical or scientific services required for the proper enforcement and administration of its building regulations.

(2) No person shall build, erect, construct, reconstruct, remodel, relocate, alter or repair any building within the county without first obtaining a building permit from the Building Inspector.

(3) The fiscal court shall establish a system of reasonable fees to be charged every applicant for such permit.

(4) Any person aggrieved by any ruling, order, or decision of such building inspector may appeal to the circuit court and to the Court of Appeals.

HB 413, AN ACT relating to the covering or filling of cisterns, wells or other man-made excavations of the same nature.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. All abandoned or unused cisterns, wells or other man-made excavations of the same nature shall be filled or covered by the owner of the land on which they are located so that they shall not create a hazard to the safety of persons passing near them.

Section 2. Any one found in violation of Section 1 of this Act shall be fined not more than one hundred dollars.

SB 281, AN ACT relating to crimes and punishments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Parole may be granted to persons convicted of a misdemeanor and sentenced to jail under the same terms and conditions as parole may be granted for conviction in felony cases.

Section 2. The power to grant parole shall be vested in the fiscal court of the county wherein the misdemeanant may be confined.

SB 292, AN ACT relating to finance and revenue for counties containing cities of the first class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

In all counties containing cities of the first class the fiscal court may by resolution provide for the payment of all taxes, state or county, upon election by the taxpayer, on a monthly, quarterly or semiannually basis, provided that the payment method shall not result in any additional charge to the taxpayer.

SB 293, AN ACT relating to motor carriers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 281.830 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as otherwise provided in KRS 138.470, 186.020 and 186.050 and in subsection (2) of this section, the fees and taxes prescribed by this chapter shall be in addition to the fees and taxes prescribed by any other law of this state.

(2) No city may impose a license fee or tax upon any motor vehicle, *operating* [operated] under a certificate or permit, *which motor vehicle has been taxed in accordance with KRS 281.810* [except that a city may impose a license fee or tax upon a taxicab as set out in subsection (5) of KRS 281.815]. A city may impose a license fee or tax upon a taxicab or a mileage tax upon a city bus as set out in subsections (4) and (5) of KRS 281.815.

SB 342, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 157.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) On or before July 1 of each year the Department of Revenue shall determine the aggregate assessed value of all property subject to assessment for school tax purposes, and shall determine the percentage the equalized value of property in each district is of the total equalized value of all property in the Commonwealth subject to taxation for school purposes and shall certify such information to the Superintendent of Public Instruction for use in determining the required local tax effort for each district. *In school districts where the required local tax effort includes assessments on which tax payments may be legally deferred, the local district board of education may request the State Board of Education to adjust the assessment of such property in order to reduce the required local tax effort during any year in which the estimated taxes to be received are at least fifteen percent less than the taxes that would be received if tax payments were on a current basis. Upon receipt of such request, the State Board of Education shall ask the Revenue Department to verify the fact that the request is reasonable and that on the basis of the best information available, the taxes to be received will be at least fifteen percent less than the taxes that would be received if payments were on a current basis. If the request is approved by the State Board of Education and the Revenue Department, the following procedure shall be followed by the Revenue Department in adjusting assessments on such property for purposes of KRS 157.380:*

(a) Determine the revenue the district can reasonably expect to receive from tax payments on property on which deferred tax payments are permitted by law.

(b) Calculate the adjusted assessed valuation of property to be used for purposes of KRS 153.380 by dividing the revenue the district expects to receive by the local tax rate in dollars and multiply the quotient by 100.

(c) Differences between estimated and actual receipts in any fiscal year shall be carried forward to the next fiscal year and reflected in the receipts for that year in calculating adjusted assessments for property subject to deferred tax payments.

(d) An accurate record of adjusted assessments shall be kept from year to year in order that the local school district may be put on an actual assessment basis as soon as possible for purposes of KRS 157.380.

(2) If such assessment has not become final by July 1 of any year, the Department of Revenue shall, on the basis of other information as may be available, make an estimate of the assessment of all property subject to local school tax in each school district and the estimate shall be used in lieu of the aggregate assessed value.

(3) [(2)] In determining the required local tax effort for districts which participate in the public school foundation program fund, the Superintendent of Public Instruction shall divide the aggregate assessed value of all property in the Commonwealth subject to taxation for school purposes by one hundred and multiply the quotient thereof by one dollar and ten cents. The product thereby obtained shall be multiplied by each district's percentage of the total equalized value of all property in the Commonwealth subject to taxation for school purposes.

(4) [(3)] Any district's levy shall be at such rate as is necessary to provide the required local tax effort.

HB 443, AN ACT relating to Congressional Districts, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The Commonwealth is divided into seven Congressional Districts, composed as follows:

(1) First District: Allen, Ballard, Butler, Caldwell, Calloway, Carlisle, Christian, Crittenden, Fulton, Graves, Hickman, Livingston, Logan, Lyon, McCracken, Marshall, Muhlenberg, Simpson, Todd, Trigg.

(2) Second District: Barren, Breckinridge, Daviess, Edmonson, Grayson, Hancock, Hart, Henderson, Hopkins, McLean, Meade, Metcalfe, Ohio, Union, Warren, Webster.

(3) Third District: Jefferson.

(4) Fourth District: Anderson, Boone, Bullitt, Campbell, Carroll, Gallatin, Green, Hardin, Kenton, LaRue, Marion, Mercer, Nelson, Oldham, Shelby, Spencer, Taylor, Trimble, Washington.

(5) Fifth District: Adair, Bell, Casey, Clay, Clinton, Cumberland, Estill, Harlan, Jackson, Knox, Laurel, Leslie, McCreary, Monroe, Owsley, Pulaski, Rockcastle, Russell, Wayne, Whitley.

(6) Sixth District: Bourbon, Boyle, Bracken, Clark, Fayette, Franklin, Garrard, Grant, Harrison, Henry, Jessamine, Lincoln, Madison, Montgomery, Nicholas, Owen, Pendleton, Powell, Robertson, Scott, Woodford.

(7) Seventh District: Bath, Boyd, Breathitt, Carter, Elliott, Fleming, Floyd, Greenup, Johnson, Knott, Lawrence, Lee, Letcher, Lewis, Magoffin, Martin, Mason, Menifee, Morgan, Perry, Pike, Rowan, Wolfe.

Section 2. Section 120.060 of the Kentucky Revised Statutes is repealed.

Section 3. Whereas, a short time remains until the next primary election day, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

HB 199, AN ACT relating to the judiciary.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 23.310 of the Kentucky Revised Statutes is amended to read as follows:

Each person [who, after July 1, 1954, has served as a regular circuit judge in this Commonwealth and] whose total service as a regular circuit judge, including service prior to July 1, 1954, is as much as ten years, and who has contributed for a minimum of two years to the special circuit judge fund herein provided for, *or who has paid directly into the fund a sum equal to the minimum requirement,* and who has reached his or her sixtieth birthday shall be eligible for appointment as a special circuit judge of the Commonwealth.

SB 242, AN ACT relating to teacher's retirement.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 161.620 of the Kentucky Revised Statutes is amended to read as follows:

(1) The retirement allowance of the member retiring for superannuation whose age of retirement is seventy years shall be one per-

cent of his average annual prior service salary for each year of prior service credit plus one and one-half percent of his average annual compensation for each year of subsequent service between the years 1941 and July 1, 1955, plus a percentage in excess of one and one-half percent, to be determined by the actuary of the system and approved by the board of trustees, said determined percentage to be taken of his annual subsequent service salary for the years after July 1, 1955. The retirement allowance of a member retiring for super-annuation whose age at retirement is less than seventy years shall be reduced to that amount which the value of the retirement allowance computed as provided in this section at age seventy will purchase as of the actual age of retirement of the member, according to the actuarial tables in use by the system. Retirement allowance in final amount at age of retirement shall be determined by an actuarial factor equivalent to one at age seventy. Said factors shall be determined by the actuary of the retirement system and approved by the board of trustees.

(2) For any member retiring on or after July 1, 1955, no retirement allowance shall be greater than *three-fourths* [one-half] of the average annual compensation unless such allowance shall result from the application of a statutory minimum.

(3) Effective July 1, 1960, each teacher retired prior to that date who had reached age sixty as of July 1, 1960, and had service credit of twenty or more years, and all teachers retired for disability, shall receive a total annual allowance amounting to not less than *fifty* [forty] dollars multiplied by the service credit years of the teacher.

(4) Beginning July 1, 1960, all teachers retired thereafter who have reached the age of sixty at date of retirement, who have thirty or more years of service credit and are in active service at time or retirement, and all teachers retiring by reason of disability, shall receive an annual allowance of not less than *fifty* [forty] dollars multiplied by the service credit years of the teacher, except that where application of this minimum will produce an allowance greater than one-half of average annual compensation as herein provided the allowance shall be reduced to one-half of the average annual compensation. It is further provided that any teacher who is forced into retirement due to reaching mandatory retirement age shall qualify for the minimum annuity herein provided if the teacher has twenty years of service credit plus one year of credit for each year elapsing between July 1, 1960, and date of retirement, or July 1, 1970, whichever is earlier.

(5) The minimum provided in this section shall apply in the case of teachers retired or retiring under an option in the same proportion to the benefits of the teacher and his beneficiary or beneficiaries.

Section 2. Section 161.540 of the Kentucky Revised Statutes is amended to read as follows:

Each member shall contribute to the retirement system *six* [five] percent of his annual compensation. The contribution of a member shall not exceed this percentage on his current annual compensation.

HB 274, AN ACT relating to claims against a decedent's estate.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 396.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) If the personal estate of a decedent is not sufficient to pay his liabilities, then the burial expenses of the decedent, the cost of the administration of his estate, and the amount of the estate of a dead person, or of a ward, or of a person of unsound mind, committed by a court of record to and remaining in the hands of a decedent, shall be paid in full before any pro rata distribution is made, but this preference shall not extend to a demand foreign to this state.

(2) After the claims described in subsection (1) of this section have been satisfied, all persons furnishing hospital services, including maintenance, to the decedent within one year preceding his death shall have a preferred claim on any residue of the decedent's estate, to the extent of the costs of such services. All other debts and liabilities shall be of equal dignity, and paid ratably in the administration of his estate, and if more than the ratable share of any debt is paid, the personal representative shall only receive credit for its proper proportion.

HB 62, AN ACT relating to the admissability in evidence of scientific evidentiary tests.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

In any criminal proceeding the accused party shall have the right to have admitted in evidence the results of any scientific evidentiary tests, such as polygraph, sodium pentathol, blood, and other similar tests, that have been given; provided, however, that after the accused requests that the results of such tests be admitted into evidence he shall not later object if the results of such tests are unfavorable to his cause.

SB 188, AN ACT relating to the Teachers' Retirement System and making an appropriation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any person who was employed as a certified teacher in the public elementary or secondary schools or state colleges of the Commonwealth of Kentucky as a regular, full-time teacher for a period of ten or more years prior to July 1, 1940, who has reached the age of seventy years as of July 1, 1962, and who is not otherwise qualified to receive a pension or annuity from the Teachers' Retirement System, shall be entitled to a payment of forty dollars per month.

(2) The provisions of this section shall not apply to any person who is receiving a pension or annuity or other grant financed in whole or part by funds of the Commonwealth of Kentucky or its political subdivisions except Old Age and Survivors Insurance.

(3) The terms of this section shall become effective on July 1, 1962, and payment to qualified persons shall begin at such time following that date as applications are received on forms adopted by the Board of Trustees of the Teachers' Retirement System. No payments shall be made retroactive to the receipt of such application.

(4) Persons attempting to qualify for payment under the terms of this section shall furnish such proof of age, employment and other qualifications as the Board of Trustees may require. The Board of Trustees shall be empowered to determine the eligibility of all applicants.

Section 2. To carry out the purposes of this act there is appropriated to the Teachers' Retirement System out of the General Expenditure Fund in the State Treasury the sum of fifty thousand dollars in each of the years 1962-63 and 1963-64.

Section 3. Any unexpended funds are to be carried over without lapse into the next fiscal year.

Calendar

SB 39, SR 46, HB 315, SB 52, SB 196, SB 331, HB 140, HB 355, HB 361, HB 370, HB 414, HB 415, HB 416, HB 417 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected.

Orders of the Day

Senator Ware moved that **SB 118** be taken from the Clerk's Desk. Agreed.

Senator Duffy offered Amendment #1 to **SB 118** and moved its adoption. Agreed. Said Amendment #1 to **SB 118** is as follows:

Amend printed copy of Senate Bill 118, on page 4, section 3, line 27, by deleting the word "placement" and adding in lieu thereof the word "approval."

Senator Duffy offered Amendment #2 to **SB 118** and moved its adoption. Agreed. Said Amendment #2 to **SB 118** is as follows:

Amend printed copy of Senate Bill 118, page 5, section 3, line 8, by adding after "(6)" the following: "All persons other than a licensed child-placing agency or institution and the department who wish to place or receive a child shall make written application to the commissioner for permission to place or receive a child. The commissioner shall grant or refuse permission for the applicant to place or receive a child as early as practicable, but, in any case, the decision shall be made within sixty days after the receipt of the application."

Senator Duffy offered Amendment #3 to **SB 118**, and moved its adoption. Agreed.

Said Amendment #3 to **SB 118** is as follows:

Amend printed copy of Senate Bill 118, page 5, section 3, line 15, by deleting the period after the word "proposed" and adding a comma in lieu thereof, and adding the following: "provided, however, that no placement shall be disapproved on the basis of the religious, ethnic, or inter-faith background of the adoptive applicant, if such placement is made with the consent of the parent."

Senator Duffy offered Amendment #4 to **SB 118** and moved its adoption. Agreed.

Said Amendment #4 to **SB 118** is as follows:

Amend printed copy of Senate Bill 118, page 5, section 3, line 22, by adding the following sentence after "Commissioner:" "Nothing in this subsection shall be construed to limit the Department of Economic Security in carrying out its aid to dependent children program in accordance with Chapter 205 of the Kentucky Revised Statutes."

Senator Duffy offered Amendment #5 to **SB 118** and moved its adoption. Agreed.

Said Amendment #5 to **SB 118** is as follows:

Amend printed copy of Senate Bill 118, page 8, section 5, line 5, by deleting the following: "(7) An involuntary termination of parental rights may be instituted in the Franklin Circuit Court, if in the opinion of the Commissioner, the best interest of the child may be thus served."

Senator Ware moved the Previous Question on **SB 118**, as amended. Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Overbey.

SB 118 was passed and the title agreed to.

HB 228 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB** 228. Agreed.

On roll call, the vote was yeas 30—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Martin, Nichols, Raney, Swope, Turner, Ware, White. Nays 1—Overbey.

HB 228 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB** 228 was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 227 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Amendment #1 to **HB** 227 and moved its adoption. Agreed. Said Amendment #1 to **HB** 227 is as follows:

Amend printed copy of House Bill No. 227 on page 12 by inserting between lines 25 and 26 the following:

(5) If a corporation does not have all of the factors present in its total business operations, an average of the factors present shall be used in determining the percentage of the business done in Kentucky.

(6) For the purpose of this section "sale" shall include exchange, and "manufacture" shall include the extraction and recovery of natural resources and all processes of fabricating and curing.

(7) Where net business income is derived from the conduct of a public utility, the portion thereof attributable to business within this state shall be taken to be such percentage of the total of such income as the value of the tangible property, and payroll, and business within this state bears to the value of the total tangible property, total payroll and total business, the percentage of tangible property and of business being separately determined as hereinafter provided and the percentage of payroll being determined as provided in paragraph (c) of subsection (4) of this section and the three percentages averaged.

(a) For the purpose of the foregoing computation, the value of the tangible property shall be taken to be the average value of the tangible property held and owned by the corporation in connection with such business during the year for which the income is returned, excluding any property the income of which is not taxable or is separately allocable under the foregoing provisions of this chapter.

(b) In determining the tangible property located within this state of a railroad company operating both within and without this state, the valuation of car rolling stock and equipment and locomotive rolling stock and equipment within this state shall be found by applying to the total valuation of the entire rolling stock and equipment of each respective class belonging to the company that proportion which the car mileage within this state during the income year bears to the total car mileage of the company's cars, and which the locomotive mileage within this state during the income year bears to the total locomotive mileage of the company's locomotives, used in the conduct of its business both within and without this state for that year.

(c) The business of the public utility shall be measured by the amount of receipts from the carrying on of the business. Receipts in this state shall include, in addition to all receipts from business commencing and terminating within this state, such portion of receipts from all interstate business passing through or into or out of this state as is determined by applying to gross receipts from all business of transportation and communication enterprises that percentage which the mileage within this state over which such business was carried bears to the entire mileage over which it was carried. Accounts receivable from services rendered and other sources arising from business during the year shall be included in the formula if the corporation's return is made on the accrual basis.

(d) The department shall prescribe methods of allocating receipts of other utilities.

(8) Inventories in transit and construction in process shall not be considered in determining the total value of tangible property or the value of Kentucky tangible property.

(9) In the event that the formula for allocating income prescribed herein, as applied in a particular case, reaches an unconstitutional result, or the department determines that said formula, as applied in a particular case, fails to allocate to Kentucky a fair and reasonable portion of the business income, the department shall prescribe a formula which allocates to Kentucky a fair and reasonable portion of the business income.

(10) The income allocated to Kentucky, under subsection (3) of this section shall be combined with the net business income allocated to Kentucky and there shall be deducted therefrom the proportionate part of Federal income tax attributable to income allocated to Kentucky. The resulting amount shall be deemed the "taxable net income."

Senator Ware offered Amendment # 2 to **HB 227** and moved its adoption. Agreed. Said Amendment #2 to **HB 227** is as follows:

Amend printed copy of House Bill No. 227 on page 20 by adding between lines 20 and 21 the following:

(11) Every tax imposed by this chapter, and all increases, interest and penalties thereon, shall become, from the time it is due and payable, a personal debt to the state from the taxpayer or other person liable therefor.

(12) In addition to the penalties herein prescribed, any taxpayer or employer, who wilfully fails to make a return or wilfully makes a false return, or who wilfully fails to pay taxes owing or collected, with intent to evade payment of the tax or amounts collected, or any part thereof, shall upon conviction thereof be fined not less than five hundred dollars nor more than five thousand dollars, or confined in the penitentiary for not less than twelve months or more than five years, or both.

Senator Ware moved the Previous Question on **HB 227,** as amended. Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, Mann, Martin, Nichols, Palmer, Raney, Turner, Ware, White. Nays 6—Fuqua, Gardner, Logan, McGinty, Overbey, Swope.

HB 227 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 227** was passed by reconsidered and that said motion be laid on the table. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported **SB 4, SB 5, SB 30, SB 36, SB 44, SB 63, SB 86, SB 100, SB 130, SB 131, SB 135, SB 146, SB 169, SB 167, SB 168, SB 170, SB 173** had been examined and found correctly enrolled. **SB 4, SB 5, SB 30, SB 36, SB 44, SB 63, SB 86, SB 100, SB 130, SB 131, SB 135, SB 146, SB 169, SB 167, SB 168, SB 170, SB 173** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

SB 4, SB 5, SB 30, SB 36, SB 44, SB 63, SB 86, SB 100, SB 130, SB 131, SB 135, SB 146, SB 169, SB 167, SB 168, SB 170, SB 173 delivered, signed by Speaker. Ordered delivered to the Governor.

Orders of the Day

HB 229 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 229.** Agreed.

On roll call, the vote was yeas 30—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 1—Johnson.

HB 229 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 229** was passed be reconsidered and that said motion be laid on the table. Agreed.

Introduction of Bill

Senator Kinkead moved that the Rules be suspended for the purpose of introducing a bill. Agreed.

SB 348, by Senators Kinkead and Turner: AN ACT relating to metropolitan districts.

The President vacated the chair, the President Pro Tem presided.

Orders of the Day

SB 215 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garnett moved the Previous Question on **SB 215.** Agreed.

On roll call, the vote was yeas 30—Bishop, Bonn, Brand, Cobb, Conley, Craft, Duffy, Duncan, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 0.

SB 215 was passed and the title agreed to.

Senator Garnett moved that the vote by which **SB 215** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 236 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **HB 236.** Agreed.

On roll call, the vote was yeas 26—Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kinkead, Kiser, McCann, McGinty, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 7—Bishop, Brand, Duncan, Hickerson, Logan, Mann, Swope.

HB 236 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **HB 236** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Ware moved that the Senate adjourn until 1 p.m., Tuesday, March 6. Agreed.

TUESDAY, MARCH 6, 1962

FIFTY-FIRST LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers, Pastor of the First Baptist Church of Frankfort.

The roll was called. All present except Senator Derickson, who was granted leave of absence on motion of Senator Ware.

Reading of Journal for March 5 dispensed with and the same approved on motion of Senator Ware.

Motions, Petitions, and Communications

Senator Logan moved that **HB 262** be taken from the Rules Committee and read into the Calendar. Motion lost on voice vote.

Introduction of Bills and Resolution

SB 349, by Senator Raney: AN ACT relating to unemployment compensation.

SB 350, by Senator McCann: AN ACT relating to elections.

SB 351, by Senator Raney: AN ACT relating to parks.

SB 352, by Senator Johnson: AN ACT relating to circuit judges.

SR 58, by Senators Howard and Duffy: A CONCURRENT RESOLUTION providing for a study of Automobile Financial Responsibility.

WHEREAS, there has been introduced in the Kentucky General Assembly Senate Bill No. 141 which would, if enacted, establish a State Fund to reimburse victims of financially irresponsible motorists; and

WHEREAS, there has been introduced in the General Assembly other bills commonly referred to as "compulsory automobile insurance laws;" and

WHEREAS, a public hearing was held on Senate Bill No. 141 in the Senate Chamber on February 27, 1962; and

WHEREAS, sufficient information was not available to permit the 1962 General Assembly to make a reasonable judgment with respect to automobile financial responsibility;

NOW, THEREFORE,

Be it resolved by the Senate and the House of Representatives of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission be directed to make a comprehensive study to determine the extent to which the general public is affected by the financially irresponsible operator or owner of a motor vehicle.

Section 2. That a full and complete report on this subject be prepared by the Legislative Research Commission and made available to the 1964 Session of the Kentucky General Assembly.

Senator Howard moved the adoption of **SR 58.** Agreed.

Senator Overbey moved that the Rules be suspended for the purpose of making a motion. Agreed.

Senator Overbey moved that **HB 152** be made a Special Order of Business in the Orders of the Day. Agreed.

Report of Committee

Rules Committee reported **HB 476, SB 343, SB 347, HB 282, SB 310, HB 294, SB 282, HB 395, HB 347, SB 247, SB 205, SB 306, SR 22, HB 354, SB 144** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 476, AN ACT making an appropriation to the General Assembly.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

There is hereby appropriated out of the General Expenditure Fund to the General Assembly for the remainder of the 1961-62 fiscal year the sum of one hundred and fifty thousand dollars. This appropriation shall be in addition to any other appropriation made to the General Assembly.

SB 343, AN ACT relating to unemployment insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 341.270 of the Kentucky Revised Statutes is amended to read as follows:

Determination of employer's contribution rate. (1) Each subject employer's contribution rate shall be two and seventh-tenths percent except as otherwise provided in this section.

(2) No subject employer's contribution rate shall be less than two and seven-tenths percent unless:

(a) Benefits were chargeable to his account with respect to the thirty-six consecutive months immediately preceding the computation date; and

(b) His reserve account balance equals or exceeds five times the largest amount of benefits charged against it within any one of the three years last preceding the computation date.

(3) Except as otherwise provided in this section, for the calendar year 1959 and each calendar year thereafter, employer contribution rates shall be determined in accordance with "Table A" set out in subsection (4) of this section. Prior to each calendar year the Commissioner shall determine, as of the 31st day of October, the fund solvency factor by dividing the "benefit cost ratio" into the "statewide reserve ratio." If such factor:

(a) Equals or exceeds six, the rates listed in "Column B" of "Table A" shall be in effect.

(b) Equals or exceeds three and one-half but is less than six, the rates listed in "Column C" of "Table A" shall be in effect.

(c) Equals or exceeds two [and one-half] but is less than three and one-half, the rates listed in "Column D" of "Table A" shall be in effect.

(d) Is less than two [and one-half], no subject employer's contribution rate shall be less than two and seven-tenths percent and the contribution rate for any subject employer whose individual reserve ratio as of the computation date is less than zero (because benefits have been charged in excess of contributions) shall be four and two-tenths percent.

(4) For the calendar year 1959 and each calendar year thereafter, contribution rates shall be determined upon the basis of an individual employer's reserve ratio as of the computation date and the schedule of rates established under subsection (3) of this section. Except as otherwise provided in this section, the contribution rate for each subject employer for the calendar year immediately following the computation date shall be the rate in that "Column" of "Table A," as set out below, effective with respect to such calendar year, which appears on the same line as his reserve ratio as shown in "Column A" of the same table.

TABLE A

Employer Reserve Ratio (A)	Rate Schedule (B)	Rate Schedule (C)	Rate Schedule (D)
5% and over	0.0%	0.0%	0.6%
4.6% but under 5.0%	0.3%	0.9%	1.2%
4.2% " " 4.6%	0.6%	0.9%	1.8%
3.8% " " 4.2%	0.9%	1.8%	2.7%
3.3% " " 3.8%	1.5%	1.8%	2.7%
2.0% " " 3.3%	2.1%	2.7%	2.7%
0.0% " " 2.0%	2.7%	2.7%	2.7%
Less than 0.0%	3.2%	3.7%	4.0%

(5) As used in this section and elsewhere in this chapter, unless the context clearly requires otherwise:

(a) "Trust fund balance" means the amount of money in the Unemployment Insurance Fund, exclusive of monies transferred to the fund under the provisions of the Federal Employment Security Administrative Financing Act of 1954, which have been appropriated or are subject to appropriation by the legislature. In determining the amount in the fund as of a given date all money received by the Division as of such date shall be considered as being in the fund on such date.

(b) "Taxable wages" means the payroll or payrolls by which contributions were measured for a specified period.

(c) "State-wide reserve ratio" means the percentage ratio obtained by dividing the taxable wages for the twelve months ending on the 30th day of September into the "trust fund balance" as of the immediately following 31st day of October.

(d) "Benefit cost ratio" means the percentage ratio obtained by dividing the taxable wages for the sixty months ending on the 30th day of September, which have been reported to the Division on or before the immediately following 31st day of October, into the total amount of benefits paid from the fund during that same sixty months period.

(e) An employer's "reserve ratio" means the percentage ratio of his reserve account balance as of the computation date to his taxable payrolls for the thirty-six months last preceding such computation date.

(f) An employer's "reserve account balance" means the amount by which contributions credited to his reserve account exceed benefits charged to such account. If benefits charged to an account exceed contributions credited to such account as of the computation date, such account shall be considered as having a debit balance and a reserve ratio of "less than zero."

(g) "Computation date" means the date, occurring at least once in each calendar year and within twenty-seven weeks prior to the effective date of new rates of contribution, as of which individual employer contribution rates are computed. The Commission shall by regulation prescribe the computation date.

Section 2. Section 341.370 of the Kentucky Revised Statutes is amended to read as follows:

Conditions of benefit disqualification. (1) According to the circumstances in each case, a worker shall be disqualified from receiving benefits or serving a waiting period:

(a) For not less than one nor more than sixteen weeks immediately following the commission of the disqualifying act, if, subsequent to his most recent work, he has failed without good cause either to apply for available, suitable work when so directed by the employment office or the Commissioner or to accept suitable work when offered him, or to return to his customary self-employment when so directed by the Commissioner; *or*

[(b) For not less than six nor more than sixteen weeks immediately following the commission of the disqualifying act, if he has left his most recent suitable work voluntarily without good cause; or]

(b) [(c)] For not less than six nor more than sixteen weeks immediately following the commission of the disqualifying act, if he has been discharged for misconduct connected with his most recent work, but legitimate activity in connection with labor organizations or failure to join a company union shall not be construed as misconduct.

(2) A worker shall be disqualified from receiving benefits or serving a waiting period for the duration of any period of unemployment with respect to which:

(a) He was discharged for dishonesty in connection with his most recent work;

(b) He voluntarily quit his most recent work to marry or for the purpose of attending school, or to become self-employed; *or* [.]

(c) He has left his most recent suitable work voluntarily without good cause.

(3) A worker shall be disqualified from receiving benefits for any week with respect to which he knowingly made a false statement to establish his right to or the amount of his benefits; and, within the succeeding twenty-four months, for such additional weeks immediately following the date of such determination, not to exceed a total of fifty-two, as may be determined by the Commissioner.

(4) No worker shall be disqualified under paragraph (b) [or (c)] of subsection (1) or subsection (2) of this section unless the employer, within a reasonable time as prescribed by commission regulation, notifies the Division and the worker in writing of the alleged voluntary quitting or the discharge for misconduct; provided, however, that nothing in this subsection shall restrict the right of the Commissioner to disqualify a worker whose employer has refused or failed to notify the Division of the alleged voluntary quitting or discharge for misconduct if such alleged voluntary quitting or discharge for misconduct is known to the Commissioner prior to the time benefits are paid to such worker; provided further, that the exercise of such right by the Commissioner, in the absence of timely notice from the employer, shall not relieve the employer's reserve account of benefit charges under the provisions of KRS 341.530 (3).

(5) As used in this section and in subsection (3) of KRS 341.530, "most recent" work shall be construed as that work which occurred after the first day of the worker's base period and which last preceded the week of unemployment with respect to which benefits are claimed; except that, if the work last preceding such

week of unemployment was intermittent or temporary in nature, most recent work may be construed as that work last preceding such intermittent or temporary work.

Section 3. Section 341.380 of the Kentucky Revised Statutes is amended to read as follows:

Payment of benefits; amount. (1) All benefits shall be paid through employment offices, or such other agencies as may be designated by regulations of the Commission. Claims for all payments of benefits shall be made in accordance with regulations of the Commission.

(2) Benefits payable to an eligible worker for weeks of unemployment shall, except as provided in KRS 341.390, be at the rate in Column "C" of "Table B" on the same line on which, in Column "B," there appears the amount of base-period wages paid to him in that calendar quarter of his base period in which such base-period wages were highest.

TABLE B

Wage Class (A)	High Quarter Wages (B)	Weekly Benefit Rate (C)
0	Less than $250.00	$ 0.00
1	$250.00 – *312.50* [287.50]	12.00 [11.00]
[2]	[287.51 – 312.50]	[12.00]
2 [3]	312.51 – 337.50	13.00
3 [4]	337.51 – 362.50	14.00
4 [5]	362.51 – 387.50	15.00
5 [6]	387.51 – 412.50	16.00
6 [7]	412.51 – 437.50	17.00
7 [8]	437.51 – 462.50	18.00
8 [9]	462.51 – 487.50	19.00
9 [10]	487.51 – 512.50	20.00
10 [11]	512.51 – 537.50	21.00
11 [12]	537.51 – 562.50	22.00
12 [13]	562.51 – 587.50	23.00
13 [14]	587.51 – 612.50	24.00
14 [15]	612.51 – 637.50	25.00
15 [16]	637.51 – 662.50	26.00
16 [17]	662.51 – 687.50	27.00
17 [18]	687.51 – 712.50	28.00
18 [19]	712.51 – 737.50	29.00
19 [20]	737.51 – 762.50	30.00
20 [21]	762.51 – 787.50	31.00
21 [22]	787.51 – 812.50	32.00
22 [23]	812.51 – 837.50	33.00
23 [24]	837.51 – 862.50	34.00

24 [25]	862.51 – 887.50	35.00
25 [26]	887.51 – 912.50	36.00
26 [27]	912.51 – *937.50* [or over]	37.00
27	*937.51 – 962.50*	*38.00*
28	*962.51 – 987.50*	*39.00*
29	*987.51 or over*	*40.00*

(3) The maximum amount of benefits payable to any worker within any benefit year shall be the amount equal to whichever is the lesser of (1) twenty-six times his weekly benefit rate or (2) one-third of his base period wages, except that no worker's maximum amount shall be less than fifteen times his weekly benefit rate. Such maximum amount, if not a multiple of one dollar, shall be adjusted to the nearest multiple of one dollar.

Section 4. *The provisions of this Act shall be applicable with respect to initial claims filed or determinations which become effective on or after July 1, 1962, and nothing herein shall change or affect any determination made or becoming effective prior to such date.*

SB 347, AN ACT relating to the county board of election commissioners.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 116.040 of the Kentucky Revised Statutes is amended to read as follows:

There shall be a county board of election commissioners, consisting of the sheriff of the county and two commissioners appointed by the State Board of Election Commissioners, not later than the first Saturday in May, for a term of one year and until their successors are appointed and qualified. Where from any cause the sheriff cannot act, the circuit clerk shall act in his place. *If, for any cause, neither of those officers can act, the two appointed commissioners shall appoint a third commissioner to serve during the period in which both those officers are ineligible. If the two appointed commissioners are not able to agree on a third commissioner within five days from the date on which the sheriff or the circuit clerk becomes ineligible, whichever date is later, they shall certify this fact to the State Board, which shall appoint a third commissioner to serve during the period in which both those officers are ineligible.* The appointed commissioners shall be at least twenty-five years of age and shall be qualified electors of the county from which they are appointed. *No commissioner shall serve if he is physically handicapped in any way that would prevent his performing the duties of the office.* One commissioner shall be appointed from each of the two political parties that polled the largest number of votes in the state at the last preceding election for state officers or presidential electors. If lists of five names are designated to the state board in writing by the county executive committees of the parties, the appointments shall be made from those lists. If there are two or more contending executive committees of the same party in the county, the committee that is recognized by the state central committee, by written certificate of the chairman thereof, shall be recognized by the state board in making the appointments. The county commissioners shall qualify by taking, before the county clerk, an oath faithfully to perform their duties according to law. The clerk shall make a certificate of the oath and file it in his office. Vacancies shall be filled by appointment by the state board from the names already designated, and the person appointed to fill the vacancy shall be of the same political party as his predecessor.

HB 282, AN ACT relating to fees, compensation of public officers and employees, and declaring an emergency.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.515 of the Kentucky Revised Statutes is amended to read as follows:

Each Commonwealth's attorney of the State shall be paid out of the State Treasury, each month, the sum of *two hundred and fifty* [one hundred and twenty-five] dollars, which sum is hereby declared to be the equivalent of the minimum sum that each Commonwealth's attorney will expend each month, in the performance of his official duties, for postage, telephone service, supplies, stationery, books and periodicals, *and such other items of expense as he deems necessary.* [The Commissioner of Finance shall, on the first of each month, draw his warrant on the Treasurer in favor of each Commonwealth's attorney, for the sum above stated, and the same]. *The expenses herein provided for* shall be paid out of the Revolving Fund created by KRS 142.030. The sums so received shall be expended by each Commonwealth's attorney in his discretion, the manner in which the same shall be applied in payment or reimbursement of such expenses being determined by such officer.

Section 2. Section 142.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) To provide the revenue necessary to carry out the provisions of KRS 64.515, a tax of two dollars *and fifty cents* is hereby levied upon conviction in each criminal case carrying a fine where the fine is paid into the State Treasury. The funds raised by the aforesaid tax shall be paid into the State Treasury, and shall be deposited into a revolving fund which hereby is created and designated the Commonwealth's Attorneys' Expense Account, and from which fund the appropriations hereunder shall be disbursed.

(2) [In anticipation of the collection of the revenue herein provided for, and to enable the State Treasury to make timely payments under the provisions of KRS 64.515, the sum of sixty thousand dollars shall be advanced from the General Fund to the Commonwealth's Attorneys' Expense Account. Said sum shall be repaid to the General Fund at the close of the fiscal year 1956-1957 and at the close of each fiscal year thereafter, from surpluses which shall have accumulated in the Commonwealth's Attorneys' Expense Account in excess of twenty-five thousand dollars. After said advancement has been paid in full] Any surplus in excess of [twenty-five] *forty* thousand dollars which shall have accumulated to the Commonwealth's Attorneys' Expense Account at the close of any fiscal year shall be transferred to and become a part of the General Fund of the Commonwealth.

Section 3. Whereas sufficient funds must be available at the beginning of 1962-63 to finance the increased expenses, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor.

SB 310, AN ACT relating to pre-qualifications of Contractors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 176.230 of the KRS is repealed.

HB 294, AN ACT relating to city police and fire departments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 95.550 of the Kentucky Revised Statutes is amended to read as follows:

(1) The pensions or benefits paid for disability or death from the policemen's and firemen's pension fund in cities of the third class shall be as follows:

(a) If any member of the police or fire department becomes temporarily totally disabled, physically or mentally, while in the performance of duty and by reason of service in the department, the board of trustees of the pension fund shall order paid to him monthly, during his disability but not longer than one year, a sum of not more than sixty dollars per month, the amount to be determined by the board. This provision shall not apply if a salary is paid during the same period. Provided, however, that the provisions of this paragraph shall not apply unless the disabled fireman or policeman has served from one day to ten years consecutively in his department, such period of service to be fixed by the board of trustees.

(b) If any member of the police or fire department becomes permanently disabled, physically or mentally, while in the performance of duty and by reason of service in the department, so as to render necessary his retirement from service in the department, the board of trustees shall retire him from service and order paid to him monthly fifty percent of his monthly salary at the time of his retirement. Provided, however, that the provisions of this paragraph shall not apply unless the disabled fireman or policeman has served from one day to ten years consecutively in his department, such period of service to be fixed by the board.

(c) *Upon death of a member due to occupational causes, regardless of length of service, his surviving widow shall be entitled immediately upon cessation of salary to an annuity equal to fifty percent of the member's last rate of salary. This annuity shall be payable until she dies or remarries. In addition, if minor children, under age eighteen, survive the member, the widow shall receive on account of each child, ten percent of the member's last rate of salary until each child attains age eighteen. The combined payments to a widow and minor children shall not exceed seventy-five percent of his final rate of salary.* [If any member of the police or fire department is killed or dies as the result of an injury received in the performance of duty, or dies of any disease contracted by reason of his occupation, or dies while in the service from any cause as a result of his service in the department, or dies in service or while on the retired list from any cause after fifteen consecutive years of service in the department, and leaves a widow or a child under fourteen years of age the board of trustees shall order a pension paid to the widow or child. There shall be paid monthly to the widow, while unmarried, a pension of thirty dollars, and for each child until it reaches the age of fourteen years, six dollars. If the deceased member was unmarried and childless, a pension shall be paid to his dependent father and mother of thirty dollars per month. If one parent is dead, the other shall receive the entire thirty dollars, and if both are living, each shall receive fifteen dollars.]

(2) *Upon death of a member occurring while in service, arising from any cause other than in the performance of duty, provided the member has had at least ten years of total service his widow shall receive an annuity equal to fifty percent of the member's last rate of salary.* [No person shall receive a pension from the policemen's and firemen's pension fund except as provided in this section.]

(3) No person shall receive a pension from the policemen's and firemen's pension fund except as provided in this section.

SB 282, AN ACT relating to voting machines.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 125.040 of the Kentucky Revised Statutes is amended to read as follows:

No make of voting machine shall be approved for use unless it is so constructed that:

(1) It will insure secrecy to the voter in the act of voting.

(2) It provides facilities that will permit votes to be cast for any candidate entitled to have his name printed upon the ballots at any regular, special or primary election, and for or against any public question entitled to be placed upon the ballots.

(3) It will, except as primary elections, permit a voter to vote for all the candidates of one party or for one or more candidates of every party having candidates entitled to be voted for, or for one or more independent candidates.

(4) It will permit a voter to vote for as many persons for an office as he is lawfully entitled to vote for, and no more.

(5) It will prevent a voter from voting for the same person, or for or against the same question, more than once.

(6) It will permit a voter to vote for or against any question he may have the right to vote on, but no other.

(7) It may be adjusted for use in primary elections so that a voter may not vote for any person except those seeking nomination as candidates of his party.

(8) It will correctly register and accurately count all votes cast for each person, and for or against each public question.

(9) It can be determined whether the machine has been unlocked and operated after once being locked.

(10) It will show at all times during an election how many persons have voted by a device hereinafter referred to as a public counter.

(11) The counter indicating the number of votes cast for each person and for or against each public question cannot be seen or tampered with without unlocking a covering device that cannot be unlocked by a key that unlocks any other part of the machine. When such counters are so exposed the machine can no longer be placed into condition for operation without the use of a special key, which key shall not have been in the possession of the election officers at the polling places; but if this requirement has the effect of eliminating from consideration any other make of machine such requirement shall not apply.

(12) The operating device and operating mechanism may be locked before the time for opening the polls and after the time for closing the polls.

(13) It is accompanied by a mechanical model illustrating the manner of voting on the machine, suitable for the instruction of voters.

(14) It will permit a voter to vote for all the candidates for presidential electors of any party by one operation.

(15) It will permit a voter to vote, on any regular or special election, for any person desired to be voted for whose name does not appear upon the voting machine.

(16) It bears a number that will distinguish it from any other machine.

(17) The frames in which ballot labels are placed shall be constructed with transparent protective devices, in order that the names thereon cannot be mutilated or altered.

(18) It may either be manually or electrically operated. An electric machine must convert to manual operation and the alternate type of operation must be a standard function of the machine and not be designed as an emergency or temporary device only.

HB 395, AN ACT relating to the practice of Veterinary Medicine, Veterinary Surgery, and Veterinary Dentistry.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 321.240 of the Kentucky Revised Statutes is amended to read as follows:

(1) The members of the board shall hold their first meeting as soon as practicable after they are appointed and qualified. They shall immediately proceed to organize by electing a vice-chairman and a secretary-treasurer. The last officer, namely, secretary-treasurer, need not be a member of the board but shall possess all of the qualifications required of a person to be eligible for appointment as a member of said board. Said officers shall hold their respective offices at the pleasure of the board.

(2) The board shall hold *at least two meetings annually for the purpose of* [a regular meeting for] giving examinations under this chapter [on the last Monday in February and on the last Monday in July of each year,] and such additional meetings for examinations or for any other purposes as the board may deem necessary.

(3) All meetings of the board shall be held [at the State Capitol] at such time and at such place as the board may see fit, [and due notice shall be given to each member of the board of the time and place of each meeting,] and due notice shall be given to all applicants for examinations for a license of the time and place at which the examination will be given.

(4) Said board shall adopt and have a common seal bearing the name "Kentucky State Board of Veterinary Examiners."

(5) The board shall make and adopt such bylaws, rules and regulations as it may deem necessary and proper to effectively carry out and enforce the provisions of this chapter.

(6) The board shall promulgate a code of conduct governing the practice of Veterinary Medicine, Veterinary Surgery, and Veterinary Dentistry which shall be based upon generally recognized principles of professional ethical conduct.

Section 2. Section 321.350 of the Kentucky Revised Statutes is amended to read as follows:

The board may suspend or revoke a certificate of license or license for any of the causes for which it may refuse to grant a license under the provisions of this chapter, and for the following causes:

(1) For dishonesty in applying a tuberculin test on cattle or making a false record of such test.

(2) For dishonesty in applying a brucellosis (Bang's disease) test or making a false record of such test.

(3) For the procuring of a license by fraudulent means.

(4) For false advertising of medical practice intended, or having a tendency, to deceive and defraud the public.

(5) For the conviction of any felony or crime involving moral turpitude.

(6) Any gross negligence, incompetence or misconduct in the practice of veterinary medicines in the Commonwealth.

(7) For any violation of the code of conduct promulgated by the board pursuant to KRS 321.240(6).

HB 347, AN ACT relating to abandoned motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Any person who leaves a motor vehicle on property belonging to the Department of Highways for a longer period than thirty days and under circumstances indicating abandonment shall be fined not less than twenty-five dollars nor more than one hundred dollars, or imprisoned for not less than ten nor more than thirty days.

Any such vehicle so allowed to remain on property belonging to the Department of Highways shall be towed away by officers, agents, or employees of the Department of Highways.

In addition to other penalties herein provided, cost of towing and any storage charges which may accrue shall be paid by the owner of the vehicle before such vehicle is released from the custody of the Department of Highways.

Any such vehicle which is towed away by officers, agents, or employees of the Department of Highways and which is not claimed by the owner thereof or his authorized agent within sixty days, may be sold to pay towing and storage charges, which shall constitute a lien against such vehicle within the meaning of this act. The proposed sale shall be advertised for at least three times in some newspaper of general circulation in the county wherein the vehicle was left on property belonging to the Department of Highways, the last advertisement to be made at least six days before the sale is held and notice thereof shall be sent by registered mail to any person known to have any interest in the vehicle at his last known address at least ten days before the sale is held.

A transfer of registration shall be issued to the purchaser by the county clerk of the county wherein the vehicle is sold. The person in whose name the vehicle was last registered shall comply with the provisions of KRS 186.190 to accomplish the purposes of this act.

If such vehicle is unfit for future use, the Department may dispose of it for its salvage value in the same manner as provided for the disposition of other such materials.

SB 247, AN ACT relating to claims against the Commonwealth.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Kentucky Revised Statutes is created to read as follows:

Any claims heretofore or hereafter filed against the Commonwealth or any departments, agencies, officers, agents or employes thereof, pursuant to the provisions of KRS Chapter 44, except such claims as have heretofore been finally adjudicated, shall be governed by the substantive law in effect on the date that the cause of action accrued.

SB 205, AN ACT relating to the Department of Child Welfare.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

There is appropriated to the Department of Child Welfare out of the General Expenditure Fund in the State Treasury the sum of two million dollars to be used solely for the purpose of expanding the facilities of the Kentucky Village so as to adequately provide and care for those confined there.

SB 306, AN ACT relating to punishment on second and third conviction of felony.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 431.190 of the Kentucky Revised Statutes is amended to read as follows:

Any person convicted a second time of felony shall be confined in the penitentiary not less than double the time of the sentence under the first conviction; if convicted a third time of felony, he shall be confined in the penitentiary during his life. Judgment in such cases shall not be given for the increased penalty unless the jury finds, from the record and other competent evidence, the fact of former convictions for felony committed by the prisoner, in or out of this state. *However, nothing in this section or in Section 219 of the Criminal Code of Practice shall render it permissible for the fact of former conviction to be made known to the jury unless and until the jury has rendered a verdict of guilty on the pending charge; but after a verdict of guilty has been rendered on the pending charge, that portion of the indictment which relates to former conviction shall be read to the same jury, which shall then hear evidence relating thereto and shall render a second and separate verdict as to whether judgment shall be given for the increased penalty provided by this section.*

SR 22, A JOINT RESOLUTION authorizing and directing the payment of expenses incurred by any member of the legislature while any such member is traveling on official business for, and to the benefit of the Commonwealth.

WHEREAS, the members of the General Assembly of the Commonwealth of Kentucky constitute the law-making branch of the government; and

WHEREAS, it is necessary that various members of the General Assembly attend conferences, meetings, and other such functions in the interest of good legislation; and

WHEREAS, the Commonwealth is the primary recipient of the advantages received by such travels; and

WHEREAS, the Commonwealth should bear these expenses in the interest of good government;

NOW, THEREFORE,

Be it resolved by the Geenral Assembly of the Commonwealth of Kentucky:

Section 1. There is hereby allowed to any member of the legislature expenses incurred by such member while he is traveling on business of the Commonwealth when such business is in the interest of the Commonwealth.

Section 2. Any member of the legislature traveling to carry forth the duties imposed upon him by his office or any duties assigned to him by the presiding officer of the branch of the General Assembly to which he belongs, shall be deemed to be traveling for and in the interest of the Commonwealth.

HB 354, AN ACT relating to obscene literature.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Where the term "person" is used in this Statute, it shall be taken to mean any natural person, firm, partnership, co-partnership, association, corporation, or organization of any kind.

Section 2. Section 436.100 of the Kentucky Revised Statutes is amended to read as follows:

Any person who, *with knowledge of the contents or character,* sells, lends, gives away or shows, offers to sell, lend, give away or show, has in his possession with intent to sell, lend, give away or show, or advertises in any manner or otherwise offers for sale, loan, gift or distribution any obscene [or disgusting] book, magazine, pamphlet, newspaper, writing, picture, drawing, photograph, figure or image, or any written or printed matter of an indecent character, or who designs, copies, draws, photographs, prints, utters, publishes or in any manner manufactures or prepares any such matter or article, or who writes, prints, publishes or utters or causes to be written, printed, published or uttered any advertisement or notice of any kind giving information, directly or indirectly, stating or purporting to state, where, how, of whom or by what means any such matter or article named in this section can be purchased, obtained or had, or who employs, uses or permits any minor to do so, shall be fined not less than fifty dollars nor more than *five hundred* [one thousand] dollars, or imprisoned for not [less than ten days nor] more than *six months* [one year], or both, *so fined and imprisoned.*

Section 3. Any person who, with knowledge of the content or character, sells, lends, gives away, shows or offers to sell, lend, give away or show any obscene printed matter, picture or figure or image to a minor, shall be fined not less than one hundred dollars nor more than five hundred dollars and imprisoned for not less than ten days nor more than six months, or both, so fined and imprisoned.

Section 4. The sale, loan, gift, showing or offer to sell, loan, or the possession with intent to sell, lend, give away or show of any book, magazine, pamphlet, newspaper, writing, picture, drawing, photograph, figure or image found to be obscene, shall be prima facie evidence that the seller, lender, giver or possessor who intends to sell, had knowledge of the obscene character of the printed matter, picture, photograph or figure.

SB 144, AN ACT relating to the awarding of contracts by the Division of Purchases and Public Properties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

In determining the lowest and best bidder to whom a contract is to be awarded for furnishing materials, supplies or equipment purchased by the Division of Purchases and Public Properties of the Department of Finance, the division shall take into consideration whether the bidder is a resident of the Commonwealth of Kentucky. The bid of a resident bidder shall be adjudged the lowest and best bid if it is not five percent or more higher than the bid of a nonresident bidder.

Calendar

HB 161, HB 208, Senate Committee Substitute for **HB 285, HB 398, HB 404, HB 213, HB 413, SB 281, SB 292, SB 293, SB 342, HB 443, HB 199, SB 242,** Senate Committee Substitute for **HB 274, HB 62, SB 188** taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected.

Orders of the Day

HB 152 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 152.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

HB 152 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 152** was passed be reconsidered and that said motion be laid on the table. Agreed.

HR 43 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the adoption of **HR 43.** Agreed.

The President vacated the Chair, the President Pro Tem presiding.

SB 324 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 324**. Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware, White. Nays 0.

SB 324 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 324** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 326 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 326**. Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware, White. Nays 0.

Senator Johnson moved that **SB 326** be known as "The Conley-Swope Act." Agreed.

SB 326 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 326** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 237 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 237**. Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Ware, White. Nays 10—Conley, Duncan, Edwards, Gardner, Johnson, Kiser, Logan, Martin, Overbey, Swope.

SB 237 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 237** was passed be reconsidered and that said motion be laid on the table. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported **HB 225**, **HB 224**, **HB 185**, **HB 117**, **HB 248** had been examined and found correctly enrolled.

HB 225, **HB 224, HB 185, HB 117, HB 248** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Orders of the Day

SB 265 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 265.** Agreed.

On roll call, the vote was yeas 20—Bonn, Buckman, Cobb, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, Kiser, McCann, Mann, Nichols, Palmer, Raney, Turner, Ware. Nays 17—Bishop, Blue, Brand, Conley, Duncan, Edwards, Fuqua, Gardner, Howard, Johnson, Logan, McGinty, Martin, Miller, Overbey, Swope, White.

SB 265 was passed and the title agreed to.

Senator Overbey moved that the vote by which **SB 265** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 266 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 266.** Agreed.

On roll call, the vote was yeas 27—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Miller, Nichols, Overbey, Raney, Ware, White. Nays 3—Blue, Johnson, Swope.

SB 266 was passed and the title agreed to.

Senator Overbey moved that the vote by which **SB 266** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 232 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 232.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Nichols, Palmer, Raney, Ware, White. Nays 4—Logan, Martin, Overbey, Swope.

SB 232 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 232** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 235 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 235.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Ware, White. Nays 1—Logan.

SB 235 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 235** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 236 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 236.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

SB 236 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 236** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 239 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Hehl offered Amendment #1 to **SB 239** and moved its adoption. Agreed.

Said Amendment #1 to **SB 239** is as follows:

Amend printed copy of Senate Bill 239, on page 4, lines 1, 2, 3, and 4, by deleting all of lines 1, 2, 3 and 4.

Senator Hehl offered Amendment #2 to **SB 239** and moved its adoption. Agreed.

Said Amendment #2 to **SB 239** is as follows:

Amend printed copy of Senate Bill 239, on page 4, line 5, by deleting "(h)" and inserting in lieu thereof "(g)."

Senator Hehl offered Amendment #3 to **SB 239** and moved its adoption. Agreed.

Said Amendment #3 to **SB 239** is as follows:

Amend printed copy of **SB 239** on page 4, by deleting lines 9, 10, and 11 and inserting in lieu thereof "(h) Failure to keep premises in accordance with any public health laws or regulations of the Board of Pharmacy."

Senator Ware moved the Previous Question on **SB 239,** as amended. Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Swope, Ware, White. Nays 0.

SB 239 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 239** was passed be reconsidered and that said motion be laid on the table. Agreed.

Recess

Senator Overbey moved the Senate to recess for five minutes for the purpose of having a meeting of the Committee on Committees. Agreed.

At the appointed hour the President Pro Tem resumed the Chair.

Senator Ware announced that the Committee on Committees did not reach a decision on the appointment of a Conference Committee pertaining to **SB 117.**

Senator Overbey moved that the Rules be suspended for the purpose of introducing a bill. Agreed.

Introduction of Bill

SB 353, by Senators Conley and Garnett: AN ACT relating to Historical Automobiles.

Orders of the Day

SB 284 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 284.** Agreed.

On roll call, the vote was yeas 36—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 284 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 284** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 325 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 325**. Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Overbey, Palmer, Raney, Ware, White. Nays 0.

SB 325 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 325** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 323 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 323**. Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Bonn, Buckman, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Hehl, Hickerson, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Ware, White. Nays 1—Logan.

SB 323 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 323** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 311 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Edwards moved the Previous Question on **SB 311**. Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Buckman, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Logan.

SB 311 was passed and the title agreed to.

Senator Edwards moved that the vote by which **SB 311** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 283 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 283.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Conley, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 2—Howard, Johnson.

SB 283 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 283** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 277 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Overbey moved the Previous Question on **SB 277.** Agreed.

On roll call, the vote was yeas 24—Bishop, Bonn, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Hehl, Howard, Johnson, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Ware, White. Nays 0.

Senator Kiser moved to amend the Title to **SB 277** and that it be known as the "McCann Bill." Agreed.

SB 277 was passed and the title agreed to.

Senator McCann moved that the vote by which **SB 277** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 196 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Raney offered Amendment #1 to **SB 196** and moved its adoption. Lost on voice vote.

Said Amendment #1 to **SB 196** is as follows:

Amend printed copy of **SB 196,** on page 2, line 17, by adding after the word "day" the following: "except, during a period not to exceed sixteen weeks in any one calendar year, in those industries determined by the Commissioner of Industrial Relations to be dependent upon and normally engaged in an operation requiring seasonal periods of overtime employment. In such cases the Commissioner of the Department of Industrial Relations shall grant a certificate of waiver to the employer upon a showing of a reasonable necessity for same. Should the commissioner reject the request for such certificate, the employer may appeal directly to the Franklin Circuit Court, such appeal to be governed by the provisions of KRS 281.780 and 281.785."

Senator Raney offered Amendment #2 to **SB 196** and moved its adoption. Agreed.

Said Amendment #2 to **SB 196** is as follows:

Amend printed copy of Senate Bill 196, on page 1, line 10, by adding after the word "section." the following sentence: "The provisions of this section shall not be construed to apply to a female employed in any local establishment where only one female is normally required or employed."

Senator Raney offered Amendment #3 to **SB 196** and moved its adoption.

Said Amendment #3 to **SB 196** is as follows:

Amend printed copy of Senate Bill 196, on page 3, lines 10, 11 and 12, by deleting lines 10, 11 and 12 in their entirety and inserting in lieu thereof the following: "The department shall have exclusive jurisdiction over the administration and enforcement of KRS 337.365 through KRS 337.400."

Senator Overbey moved to table Amendment #3 to **SB 196**, Senators Overbey and Conley requesting a roll call.

On roll call, the vote was yeas 9—Conley, Duncan, Edwards, Fuqua, Hickerson, Howard, McGinty, Overbey, Swope. Nays 20—Blue, Bonn, Buckman, Cobb, Craft, Duffy, Garnett, Garrett, Hehl, Kinkead, Kiser, Logan, McCann, Mann, Nichols, Palmer, Raney, Turner, Ware, White.

Senator Raney moved that **SB 196** be laid on the Clerk's desk. Agreed.

Senator Ware moved that the Senate adjourn until 1 p.m., Wednesday, March 7. Agreed.

WEDNESDAY, MARCH 7, 1962

FIFTY-SECOND LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers, Pastor of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Derickson and Mann, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for March 6 dispensed with and the same approved on motion of Senator McCann.

House Message

Announcing passage of **HB 23, HB 153, HB 301, HB 353, HB 401, HB 427, HB 429, HB 431, HB 445, HB 466, HB 484, HB 487, HB 490, HB 493, HB 497, HB 498, HB 507, HB 514, HR 68, HR 74, HR 75, HR 79, SB 62, SB 70, SB 72, SB 87, SB 90, SB 92, SB 156, SB 162, SB 191, SB 276, SB 128, SB 290, SB 136** (with amendments), **SB 153** (with amendments), **SB 117**, (returned, pending appointment of Conference Committee).

Motions, Petitions, and Communications

SR 59, by Senator Kiser: A RESOLUTION directing the Commissioner of Highways to appear before the Senate.

WHEREAS, it is a matter of public knowledge that the Department of Highways of the Commonwealth of Kentucky will, within two years be faced with a desperate financial crisis; and

WHEREAS, it has been a matter of Senatorial comment that employes of the Department of Highways are using public property for private purposes in one or more counties in Kentucky; and

WHEREAS, it is a matter of public knowledge that other employes of the Department of Highways are rendering no useful service to the public; and

WHEREAS, other matters which have come to public notice require the attention of the Senate,

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

That the Commissioner of Highways be directed to appear before the Senate as a whole for such interrogation into the Department of Highways as the members of the Senate may desire to inquire into.

It is suggested that the members of the Senate submit in advance the subjects upon which the Commissioner of Highways will be interrogated in order that he may have with him at the time he appears before the Senate such information as will permit him to answer fully the questions propounded.

Senator Overbey moved to amend **SR 59** by instructing the Clerk to notify Commissioner of Highways, Henry Ward, to appear before the Senate at 1 p.m., March 12. Agreed.

Senator Ware moved the adoption of **SR 59**, as amended. Agreed.

Senator McGinty moved that the Commissioner of Economic Development be requested to appear today, as soon as possible, to answer questions regarding **SB 343, HB 217, HB 258, SB 219, HB 227, HB 228, HB 229.**

Senator Buckman moved that Senator McGinty's motion be tabled. Senators Miller and Logan requested a roll call on the motion to table Senator McGinty's motion.

On roll call, the vote was yeas 18—Bonn, Brand, Buckman, Cobb, Craft, Duffy, Garnett, Hehl, Hickerson, Kidwell, Kinkead, Kiser, McCann, Nichols, Palmer, Raney, Turner, Ware. Nays 14—Duncan, Edwards, Fuqua, Gardner, Garrett, Howard, Johnson, Kelly, Logan, McGinty, Martin, Miller, Overbey, Swope.

The motion to table Senator McGinty's motion was adopted.

Senator Ware moved that the first five bills listed in the Orders of the Day be made Special Orders in the Orders of the Day. Agreed.

Senator Overbey moved that the keeper of the blackboard keep the bills listed in the same order each day, as the day before, and that bills be added each day accordingly. Agreed.

Introduction of Bills and Resolutions

SB 354, by Senator Garnett: AN ACT relating to uniform administration procedure.

SB 355, by Senator McCann: AN ACT relating to the procreation of the human species.

SB 356, by Senator Kinkead: AN ACT relating to the compensation payable to certain state offices and positions.

SB 357, by Senator Ware: AN ACT relating to schools of cosmetology.

SB 358, by Senator Ware: AN ACT relating to barber schools.

SB 359, by Senator Ware: AN ACT relating to criminal procedure.

SB 360, by Senator Ware: AN ACT relating to group life insurance for state employes.

SB 361, by Senator Ware: AN ACT relating to the compensation of professional and technical employees of the State Department of Health.

SB 362, by Senator Nichols: AN ACT relating to penalties.

SB 363, by Senator Hehl: AN ACT relating to the licensing of bingo.

SB 364, by Senator Ware: AN ACT relating to the Department of Law.

SR 60, by Senator Ware: A JOINT RESOLUTION appropriating funds to the Division of Civil Air Patrol.

SR 61, by Senator Howard: A JOINT RESOLUTION directing the Department of Economic Development to make a study of planning and zoning and matters relating thereto, and making an appropriation therefor.

SR 62, by Senator Ware: A JOINT RESOLUTION directing the State Treasurer to pay forthwith to Senator Tom Raney the compensation and allowances due him, and appropriating funds for legal expenses in the event that litigation becomes necessary.

Report of Committee

Rules Committee reported **SB 48, HB 172, HB 183, HB 419, HB 364, HB 334, HB 397, SB 348, SB 337, SB 345, SB 194, SB 322, HB 97** (with Committee Amendment), **SB 245, HB 388, SB 274, SB 352, SB 55** (with Committee Substitute), **SB 234, HB 194, SB 329, SB 330, HB 297, SB 291, HB 240, HB 309, SB 148, HB 280** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 48, AN ACT relating to unclaimed dead bodies and parts thereof.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) Notwithstanding the provisions of KRS 311.300 to 311.350 any hospital or institution may make application to any medical school incorporated within this state for the loan of unclaimed whole dead bodies or parts thereof for educational or scientific purposes, provided the approval of the State Board of Health has first been obtained. Approval shall be granted or denied by the State Board of Health on the basis of proposed use, need, qualification of personnel and adequacy of equipment and facilities.

(2) A special transit permit shall be obtained for the transportation of such dead bodies or parts thereof from the Division of Vital

Statistics of the State Department of Health. Transportation from the medical school and back to the medical school and the ultimate burial of all such bodies or parts thereof shall be in accordance with the provisions of Chapter 213 of the Kentucky Revised Statutes and KRS 311.340.

(3) All approved recipients shall keep a record of all bodies received by them and comply with all other regulations of the State Board of Health.

HB 172, AN ACT relating to the custody of voting machines.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 125.050 of the Kentucky Revised Statutes is amended to read as follows:

When voting machines are acquired by any county, they shall be immediately placed in the custody of the county clerk, and shall remain in his custody at all times except when in use at an election or when in the custody of a court or court officer during contest proceedings. The clerk shall see that the machines are properly protected and preserved from damage or unnecessary deterioration, and shall not permit any unauthorized person to tamper with the machines. *The clerk shall designate the place or places where the machines shall be stored.*

HB 183, AN ACT relating to purebred cattle and making an appropriation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 246.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) As used in this section, unless the context otherwise requires:

(a) "Department" means the Department of Agriculture, Labor and Statistics.

(b) "Commissioner" means the Commissioner of Agriculture, Labor and Statistics.

(c) "Purebred" means registered by the appropriate association, organization or authority.

(d) Neither "show" or "exhibition" or "show, exhibition and sale" shall include those held as a part of or in connection with any county or other local fair.

(2) It shall be the duty of the Department of Agriculture, Labor and Statistics to aid, encourage, foster and promote the development

and the improvement of the purebred cattle industry in Kentucky. To that end, it shall be the duty of the department to promote and to aid and assist in the promotion of annual shows and sales of purebred cattle in Kentucky with the object and purpose of establishing Kentucky as one of the greatest centers in the United States for the breeding, producing, raising, exhibition, showing and sale of purebred cattle and for said purposes there hereby is appropriated out of the General Expenditure Fund to the department the sum of *sixty-one* [thirty-one] thousand dollars for each of the fiscal years *1962-1963 and 1963-1964* [1956-1957 and 1957-1958].

(3) [(a)] From the appropriation made in subsection (2) of this section, six thousand dollars shall be used and applied in each of said fiscal years *in each of the following events:* [as follows:] Not less than four thousand dollars nor more than five thousand dollars shall be used and applied to the payment of premiums for the largest purebred Aberdeen-Angus, *purebred Hereford, purebred Shorthorn, purebred Polled Hereford, purebred Jersey, purebred Holstein-Freisian, purebred Guernsey, purebred Ayrshire, and purebred Brown Swiss* show and sale which may be held in Kentucky in each of the fiscal years *1962-1963 and 1963-1964* [1956-1957 and 1957-1958] which is open on equal terms and conditions to all [Aberdeen-Angus] breeders in the United States *who are or may be eligible to enter any of the above shows and sales.* The remainder shall be used and applied by the commissioner for appropriate advertising of such shows and sales in such livestock journals and other advertising media as the commissioner in his discretion may determine.

[(b) From the appropriation made in subsection (2) of this section, six thousand dollars shall be used and applied in each of said fiscal years as follows: Not less than four thousand dollars nor more than five thousand dollars shall be used and applied to the payment of premiums for the largest purebred Hereford show and sale which may be held in Kentucky in each of the fiscal years 1956-1957 and 1957-1958 which is open on equal terms and conditions to all Hereford breeders in the United States. The remainder shall be used and applied by the commissioner for apropriate advertising of such show and sale in such livestock journals and other advertising media as the commissioner in his discretion may determine.]

[(c) From the appropriations made in subsection (2) of this section, six thousand dollars shall be used and applied in each of said fiscal years as follows: Not less than four thousand dollars nor more than five thousand dollars shall be used and applied to the payment of premiums for the largest purebred Shorthorn show and sale which may be held in Kentucky in each of the fiscal years 1956-57 and 1957-1958 which is open on equal terms and conditions to all Shorthorn breeders in the United States. The remainder shall be used and applied by the commissioner for appropriate advertising of such show and sale in such livestock journals and other advertising media as the commissioner in his discretion may determine.]

[(d) From the appropriation made in subsection (2) of this section, six thousand dollars shall be used and applied in each of said fiscal years as follows: Not less than four thousand dollars nor more than five thousand dollars shall be used and applied to the payment of premiums for the largest purebred Polled Hereford show and sale which may be held in Kentucky in each of the fiscal years 1956-1957 and 1957-1958 which is open on equal terms and conditions to all Polled Hereford breeders in the United States. The remainder shall be used and applied by the commissioner for appropriate advertising of such show and sale in such livestock journals and other advertising media as the commissioner in his discretion may determine.]

(4) Any show, exhibition and sale of purebred cattle to be eligible to receive the aforesaid appropriations must provide that the entries in all classes must be open upon equal terms to the breeders of such cattle in all of the states of the United States, and the Dominion of Canada which may be included. The comissioner shall determine with respect to each of the aforesaid breeds of cattle which show, exhibition and sale is the largest to be held in Kentucky in each year and, in making such determination, he may consider such shows, exhibitions and sales as may have been held in Kentucky in any previous year and in any previous two-year period.

(5) The remainder of the appropriations made in subsection (2) of this section for each of said fiscal years shall be used and applied by the department as follows, to-wit: At least five thousand dollars of the remainder of said appropriation shall be used to add premium money otherwise available for shows and exhibitions of purebred dairy cattle to be held in Kentucky at such places [and in such regions or districts] as the commissioner may determine; and the remaining balance thereof shall be used and applied by the department in advertising and in promoting such purebred dairy cattle shows and exhibitions in such livestock journals and other advertising media as the commissioner in his discretion may determine.

(6) No show or exhibition and no show, exhibition and sale of any purebred cattle shall qualify for or be eligible to receive any part of the appropriation made in this section unless and until there is provided and made available from other sources an amount for premiums equal to or in excess of the respective appropriations made available by the provisions of this section for such show or exhibition or show, exhibition and sale, or unless there is provided and made available from some other source an amount for premiums equal to or in excess of the amount which the commissioner may allocate to or for such show or exhibition or show, exhibition and sale under the authority vested in him by this section.

HB 419, AN ACT relating to filling of vacancies in boards of education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 160.190 of the Kentucky Revised Statutes is amended to read as follows:

Any vacancy in any board of education shall be filled [for the unexpired term] by the other members of the board within ninety days after the vacancy occurs. If the vacancy is not filled by the other members of the board within ninety days, it shall be filled by the State Board of Education within thirty days after information has been filed by any citizen of the district that the vacancy has existed for more than ninety days. *Any vacancy in any board of education shall be filled as herein provided subject to the provisions of Section 152 of the Constitution.* [The member so chosen shall hold office for the unexpired term and until his successor is elected and has qualified.]

HB 364, AN ACT relating to elections.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 160.220 of the Kentucky Revised Statutes is amended to read as follows:

All elections for members of boards of education shall be by secret ballot. The ballot shall be on a separate sheet from all other ballots used in any election. The county clerk shall cause to be printed on the ballot the names of legally eligible candidates *who have filed with the clerk a notification and declaration that they are a candidate.* [in whose behalf he is petitioned to do so in writing by not less than fifty legal voters of the county school district division or independent school district as the case may be, except that in independent school districts embracing a city of the first or second class the number of such petitioners shall not be less than one hundred. The petitions must be filed as provided in KRS 118.120 and 118.130. Each petition must be signed by the requisite number of qualified persons, and shall show the district or the division of the county district, as the case may be, and the place of residence of each person signing it. In county school district divisions no person shall sign more than one petition, and in independent school districts not more petitions than the number of offices to be filled.]

Section 2. Section 118.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as provided in KRS 118.110, and subject to the provisions of subsections (2) and (3) of this section, the county clerk

of each county shall cause to be printed on the ballots for the regular election the names of the following persons:

(a) Candidates of a political party, as defined in KRS 119.010, who have received certificates of nomination at the preceding primary election, or certificates of nomination under KRS 119.090, and whose certificates of nomination have been filed with the clerk or the Secretary of State as provided in KRS 118.120, 118.130 and 119.090.

(b) Candidates of a political party, as defined in KRS 119.010, who have been nominated for an unexpired term in a manner determined by the governing authority of the party, as provided in KRS 119.030, and whose evidences of nomination have been filed with the clerk or the Secretary of State within the time prescribed in KRS 118.130.

(c) Candidates of a political party, as defined in KRS 119.010, who have been nominated by the governing authority of the party to fill a vacancy in the candidacy of a person nominated at the preceding primary election, as provided in KRS 119.020, and whose certificates of nomination have been filed with the clerk or the Secretary of State, in sufficient time before the regular election to enable their names to be printed on the ballots at the time the ballots are required to be printed.

(d) Candidates who have been nominated by a political organization as provided in KRS 118.090, and whose certificates or petitions of nomination have been filed with the clerk or the Secretary of State within the time prescribed in KRS 118.130.

(e) Candidates who have been nominated by petition as provided in KRS 118.080, and whose petitions of nomination have been filed with the clerk or the Secretary of State within the time prescribed in KRS 118.130.

(f) Candidates for President and Vice President of the United States, of those political parties and organizations who have nominated presidential electors as provided in KRS 118.090, where the certificate of nomination of such electors has been filed with the Secretary of State within the time prescribed in KRS 118.130.

(2) Those candidates whose petitions or certificates of nomination are required by law to be filed with the Secretary of State shall have their names printed on the ballots when certified to the county clerk as provided in KRS 118.150.

(3) Candidates for members of boards of education shall have their names printed on ballots for the regular election only *after filing* [when nominated] as provided in KRS 160.220.

(4) Except as provided in KRS 119.020 and 119.030, the name of no candidate shall be printed upon the ballots for any regular election as the nominee of any political party, as defined in KRS 119.010, or under the emblem of any political party, as so defined, except those

candidates who have been duly and regularly nominated as nominees of that party at a primary election held as provided in Chapter 119.

(5) No county clerk shall knowingly cause to be printed, upon the ballot for any regular election, the name of any candidate of a political party, as defined in KRS 119.010, who has not been nominated in the manner provided in the primary election laws.

Section 3. Section 118.080 of the Kentucky Revised Statutes is amended to read as follows:

(1) [Except as provided in subsection (3) of this section,] A candidate for any office to be voted for at any regular election may be nominated by a petition of electors qualified to vote for him, complying with the provisions of subsection (2) of this section.

(2) [Except as provided in subsection (3) of this section,] A petition of nomination for a state officer, or any officer for whom all the electors of the state are entitled to vote, shall contain one thousand petitioners; for a representative in Congress from any Congressional district, or for any officer from another district except as herein provided, four hundred petitioners; for a county officer or member of the General Assembly, one hundred petitioners; for an officer of a precinct or ward, or other division less than a county, twenty petitioners. The signatures of the petition need not be appended to one paper. No petitioner shall be counted unless his residence and post-office address are designated. If any person joins in nominating, by petition, more than one nominee for any office to be filled, he shall not be counted as a petitioner for either nomination. The petition shall state the name and residence of each of the candidates, that he is legally qualified to hold the office, and that the subscribers desire, and are legally qualified, to vote for the candidate. The petition shall designate a brief name or title of the party or principle that the candidate represents, together with any simple figure or device by which it is desired that he be designated on the ballots.

[(3) Candidates for members of boards of education shall be nominated as provided in KRS 160.220.]

HB 334, AN ACT relating to judicial districts; creating an additional district and making changes in the apportionment of counties of the Seventh and Eighth Judicial Districts in order to comply with the meaning and intent of the Constitution with respect to the division of the state into judicial districts; providing for continuation in office of the present circuit judges and Commonwealth's attorneys and creating the office of circuit judge and Commonwealth's attorney for the new district established by this Act; and providing for the holding of court in each district affected by this Act.

WHEREAS, the General Assembly has given due regard to the elements of territory, business and population involved in the division of the state into judicial districts; and

WHEREAS, with such due regard, the General Assembly has found the following facts to exist;

(1) That the entire population of the state as of the last preceding Federal census, is 3,038,156.

(2) That upon the basis of such population, additional judicial districts may be established to those now existing, pursuant to Sections 128 and 132 of the Constitution.

(3) That it will be convenient and advantageous from the standpoint of territory, and will comply with the spirit and intent of the Constitution with respect to population and expedite the business of the courts in the counties involved, to create a new judicial district to consist of the Counties of Allen and Simpson, and to change the Seventh Judicial District so it consists of the counties Logan and Todd and change the Eighth Judicial District so it consists of the County of Warren.

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Seventh Judicial District shall hereafter be composed of the Counties of Logan and Todd.

Section 2. The Eighth Judicial District shall hereafter be composed of the County of Warren.

Section 3. A new judicial district is established to be numbered the Forty-ninth Judicial District and to consist of the counties of Allen and Simpson.

Section 4. The present circuit judge and Commonwealth's attorney for the Eighth Judicial District, and the present circuit judge of the Seventh Judicial District as now constituted, shall retain their respective offices, for the terms for which they were elected for the said districts as they have been changed under this Act.

Section 5. The office of circuit judge and Commonwealth's Attorney for the new judicial district established by this Act, being the Forty-ninth Judicial District are hereby created. The present Commonwealth's Attorney for the Seventh Judicial District, being a resident of Simpson County, shall serve as Commonwealth's Attorney for this newly created district until the expiration of his term of office. Until the regular election for circuit judge in 1963, the office of circuit judge in the Forty-ninth Judicial District shall be filled as provided in Section 152 of the Constitution for offices in which there is a vacancy.

Section 6. Until the regular election for the office of Commonwealth's Attorney in 1963, the office of Commonwealth's Attorney for the Seventh Judicial District shall be filled as provided in Section 152 of the Constitution for offices in which there is a vacancy.

Section 7. At the regular election in 1963 and every six years thereafter there has to be elected a circuit judge and Commonwealth's Attorney for the Forty-ninth Judicial District.

Section 8. The regular term of each court in the districts dealt with by this Act shall commence in each county at the following named times, and continue, if the business requires it, the number of days hereinafter prescribed: *Seventh District.* Logan County, at Russellville, on the first Monday in February, the first Monday in May and the first Monday in September twenty-four juridical days each.

Todd County, at Elkton, on the fourth Monday in March, eighteen juridical days; on the first Monday in July, twenty-four juridical days; on the first Monday in December; eighteen juridical days. *Eighth District.* Warren County at Bowling Green, continuous session. *Forty-ninth District.* Allen County, at Scottsville, on the fourth Monday of January, on the fourth Monday of April, and on the fourth Monday in September; eighteen juridical days each.

Simpson County, at Franklin, on the first Monday in March, eighteen juridical days; on the first Monday in June, twenty-four juridical days; on the second Monday in November, eighteen juridical days.

Section 9. The Eighth Judicial District, as re-constituted by this Act, shall be a court of continuous session. As such court it shall be order and rules, adopted pursuant to the provisions of KRS 24.030 and Rule 83 of the Civil Rules of Procedure, fix the times at which petit and grand juries shall be summoned and impaneled, and with respect to petit juries, may prescribe the number of terms and length of each term for which jury trials may be held, including the right to designate the terms which shall be held exclusively for the trial of civil actions, and the terms devoted exclusively to the trial of criminal actions. Providing, however, the Judge of the court, shall impanel a grand jury on the first day of each month unless otherwise ordered by the court by an order entered of record, which order may prescribe the dates upon which grand juries shall be summoned and impaneled.

HB 397, AN ACT relating to judicial districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The preamble and subsections (3), (7) and (42) of Section 23.040 of the Kentucky Revised Statutes are amended to read as follows:

The State is divided into *forty-eight* [forty-six] circuit court districts, each to be composed of the following counties:

(3) Christian, *Todd* [Lyon] and Trigg.
(7) Logan [,] *and* Simpson. [Todd]
(42) Calloway, Livingston, *Lyon* and Marshall.

Section 2. The preamble and subsections (3), (7) and (42) of Section 23.050 of the Kentucky Revised Statutes are amended to read as follows:

The regular term of each court shall commence in each county at the following named time, and continue, if the business requires it, the number of days hereinafter prescribed:

(3) Christian County, at Hopkinsville, on the second Monday in February, thirty-six juridical days; on the first Monday in June, twenty-four juridical days; on the third Monday in September, thirty-six juridical days.

Todd [Lyon] County, at *Elkton* [Eddyville] on the first Monday in May, third Monday in August and first Monday in December, twelve juridical days each.

Trigg County, at Cadiz on the fourth Monday in January, the third Monday in May and first Monday in September, twelve juridical days each.

(7) Logan County, at Russellville, on the first Monday in February, the first Monday in May and the first Monday in September, twenty-four juridical days each.

Simpson County, at Franklin, on the first Monday in March, eighteen juridical days; on the first Monday in June, twenty-four juridical days; on the second Monday in November, eighteen juridical days.

Todd County, at Elkton, on the fourth Monday in March, eighteen juridical days; on the first Monday in July, twenty-four juridical days; on the first Monday in December, eighteen juridical days.

(42) [Livingston County, at Smithland, on the second Monday in April, eighteen juridical days; the second Monday in August, eighteen juridical days; and the first Monday in December, eighteen juridical days.]

[Marshall County, at Benton, on the second Monday in January, eighteen juridical days, on the second Monday in March, eighteen juridical days; on the second Monday in June, eighteen juridical days; and on the third Monday in October, eighteen juridical days.]

[Calloway County, at Murray, on the first Monday in February, twenty-four juridical days; on the first Monday in May, twenty-four juridical days; on the second Monday in September, twenty-four juridical days.]

Marshall County, at Benton, on the first Monday in January, and the first Monday in May, twenty-four juridical days each; on the first Monday in September, eighteen juridical days.

Livingston County, at Smithland, on the first Monday in February, and the first Monday in June, eighteen juridical days each; on the fourth Monday in September, twelve juridical days.

Lyon County, at Eddyville, on the first Monday in March, and the first Monday in July, eighteen juridical days each; on the second Monday in November, twelve juridical days.

Calloway County, at Murray, on the first Monday in April, and the first Monday in August, twenty-four juridical days each; on the first Monday in December, eighteen juridical days.

SB 348, AN ACT relating to metropolitan sewer districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 76.120 of the Kentucky Revised Statutes is amended to read as follows:

Where railroad tracks, street railroad tracks, gas or water pipes, telephone wires, telegraph wires, electric light or power lines, or conduits, for carrying telephone or telegraph or electric wires, or poles, or other structures of any public service corporation, extend in, along or across any part of the work authorized by this chapter it shall be and become the duty of the person or corporation owning or using such tracks, pipes, wires, conduits, poles, or other structures, to make such changes in the same at the expense of the district as may be required during the construction of any improvement provided for in this chapter, and to construct or rebuild at the expense of the district its tracks, pipes, wires, conduits, poles, or other structures, over or along the work by this chapter authorized and constructed, and at its own expense to maintain the same after such work has been completed: provided, however, such changes of that part of such tracks, pipes, wires, conduits, poles or other structures as may be or extend in a public way, shall be made at the expense of the public service corporation owning or using the same *only if necessary to afford the district reasonable use of such public way.*

Reasonable notice in writing of such necessary changes shall be given by the district to the parties concerned. The district may enter upon streets, highways, bridges, or public places, for the purpose of constructing any additions, betterments, or extensions of the facilities of the district. Whenever the district has entered upon and damaged any street, highway, bridge, or other public place, same shall be restored to its former condition at the expense of the district.

SB 337, AN ACT relating to cities of the fourth class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The use of outside loud-speakers by any business establishment within one hundred and fifty feet of a residential area in cities of the fourth class having no zoning laws is hereby prohibited. Provided, however, that nothing contained in this section shall be construed to prohibit the use of loud-speakers mounted upon a motor vehicle or to prohibit the use of any two-way communications device.

Section 2. Any owner of a business establishment who violates section 1 of this Act shall be fined fifteen dollars per day for each day of such violation.

SB 345, AN ACT relating to county buildings and the financing thereof.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) Upon the fiscal court adopting an order reciting the necessity of financing the acquisition, construction, remodeling or improvement of a county building or buildings of any type which a county has the legal right to acquire, construct, remodel or improve and requesting the county judge to appoint a County Buildings Commission, the county judge of such county shall thereupon appoint a County Buildings Commission composed of three members. That one of such members shall have his term of office designated as three years, one of such members shall have his term of office designated as two years and the remaining member shall have his term of office designated as one year. Upon the expiration of the term of office of each of these commissioners, the county judge shall appoint a commissioner to succeed him to serve for a term of three years. Each commissioner shall execute a bond to be approved by the county judge and shall be sworn to faithfully perform the duties of his position. Vacancies shall be filled by the county judge.

The commissioner shall elect a chairman, secretary and treasurer.

(2) The treasurer of the Commission shall pay out the funds of the Commission only upon presentation of warrants signed by the chairman and countersigned by the secretary of the Commission. The treasurer shall execute bond to the Commission in an amount fixed by the Commission.

(3) Such Commission shall be a public corporation and commission and shall be considered as a public agency and instrumentality of the county whose county judge appoints same, in order to finance projects under the provisions hereof.

(4) For the purpose of providing county buildings for county purposes or to remodel or improve same, the county of which the members of such Commission are residents may convey to the County Buildings Commission a fee simple title, with covenant of general warranty, to a site now held or hereafter acquired by such county.

(5) Every County Buildings Commission to which a site for a building has been conveyed, on which a building is to be constructed, remodeled or improved, as provided in section (4) hereof, shall enter into a contract or contracts with some person for the erection, remodeling or improvements on the site of a building with the necessary appurtenances according to the plans and specifications adopted by the County Buildings Commission and approved by the county.

(6) Immediately upon the approval of the plans and specifications, as provided in section (5) hereof, the county shall offer to lease the building for a term of one year from the time the building is completed and ready for occupancy. The lease, by its terms, shall give the lessee the option to extend the lease from year to year for periods of one year until the original term of the lease has been extended for the total number of years acceptable to the County Buildings Commission, not exceeding thirty years, at a rental which, if paid for the original term and for each of the full number of years for which the term is extended, will amortize the total cost of the erection, remodeling or improvement of the building and appurtenances, provide an adequate maintenance fund and, in addition thereto, a sum sufficient to pay the cost of insuring the building against loss or damage by fire and windstorm or other calamity in such sum as may be agreed upon by the parties thereto.

(7) Any County Buildings Commission may establish and erect, remodel, or improve county buildings and necessary appurtenances within the county, under the provisions hereof, for the purpose of supplying the county with adequate buildings necessary to carry out its rights, duties and powers.

(8) (A) When any County Buildings Commission desires to construct, remodel or improve a building under the provisions of section (7) hereof, the County Buildings Commission shall, by resolution, cause plans and specifications for the building to be duly made and filed in the office of the county clerk. The plans and specifications shall give a full description of the building to be constructed, remodeled or improved, the details thereof and the manner of construction. The plans and specifications shall be prepared by an architect selected by the County Buildings Commission and approved by the county. (B) If the plans and specifications are approved and if the county offers to lease the building under a lease of the kind provided in section (6) hereof, the County Buildings Commission shall cause its secretary to advertise for bids, and thereafter the County Buildings Commission, through its chairman, may contract for the construction, remodeling or improvement of the building.

(9) For the purpose of defraying the cost of acquiring, constructing, remodeling or improvement of any buildings and appurtenances thereto under the provisions of Section (7) hereof, any County Buildings Commission may borrow money and issue

negotiable bonds. No such bonds shall be issued until the conditions hereof including the provisions of section (6) hereof as to a lease, have been complied with and until authorized by a resolution specifying the proposed undertaking, the amount of bonds to be issued and the maximum rate of interest the bonds are to bear, not exceeding 6% per annum. The resolution shall further provide that the building or buildings and appurtenances are to be constructed, remodeled, improved or acquired under the provisions hereof.

(10) All bonds issued under the provisions hereof may bear interest at a rate not exceeding 6% per annum, payable semi-annually, and shall be executed in such manner and be payable at such times, not exceeding thirty years from the date thereof, and at such place as the County Buildings Commission determines. The bonds shall be sold in such manner and upon such terms as the County Buildings Commission deems for its best interests.

(11) All bonds issued under the provisions hereof shall have all of the qualities of negotiable instruments and shall not be subject to taxation. If any of the officers whose signatures appear on the bonds or coupons cease to be such officers before delivery of the bonds, the signatures shall nevertheless be valid for all purposes, the same as if the officers had remained in office until delivery. The bonds shall be payable solely from revenue derived from the building, as provided in section (15) hereof, and shall not constitute an indebtedness of the County Buildings Commission within the meaning of the constitutional provisions or limitations. It shall be plainly stated on the face of each bond that it was issued under the provisions hereof and does not constitute an indebtedness of the County Buildings Commission.

(12) All money received from any bonds issued pursuant to the provisions hereof shall be used solely for the establishment, remodeling, erection, or improvement of the building and necessary appurtenances, except that the money may be used also to advance the payment of the interest on bonds during the first three years following the date of the bonds. There shall be a statutory mortgage lien upon the buildings and appurtenances in favor of the holder of the bonds and coupons.

(13) The building and appurtenances shall remain subject to the statutory mortgage lien provided by section (12) hereof, until the payment in full of the principal and interest on the bonds. Any holder of the bonds or of any of the coupons may, either at law or in equity, protect and enforce the lien and may by action enforce and compel performance of all duties required herein, including the making and collecting of sufficient rents, the segregation of income and revenue and the application thereof.

(14) If there is any default in the payment of principal or interest on any of the bonds, any court having jurisdiction of the

action may appoint a receiver to administer the building on behalf of the County Buildings Commission, with power to charge and collect rentals sufficient to provide for the payment of any bonds or obligations outstanding against the building and for the payment of operating expenses and to apply the income and revenues in conformity with the provisions hereof and of the resolution authorizing such bonds.

(15) At or before the issuance of the bonds, the County Buildings Commission, by resolution, shall set aside and pledge the income of the building into a special fund to be used and applied in payment of the cost and maintenance of the building. The resolution shall definitely fix the amount of revenues necessary to be set aside and applied for the payment of principal and interest on the bonds. The balance of the income shall be set aside for the reasonable and proper maintenance of the building, including a sufficient sum to pay the cost of insurance. The County Buildings Commission may provide by resolution any provision and stipulation it deems necessary for the administration of the income for the security of the bond holders.

(16) The sinking fund shall be deposited in a depository selected by the County Buildings Commission. The deposit, where practicable, shall be continuously secured by a pledge to the County Buildings Commission of direct obligations of the United States, exclusive of accrued interest, at all times at least equal to the balance on deposit in the account or in some other manner acceptable to the purchasers or holders of the bonds. The securities shall be deposited with the County Buildings Commission or held by a trustee or agent satisfactory to such Commission. The sinking fund may be invested in direct obligations of the United States.

(17) If a surplus is accumulated in the maintenance fund equal to the cost of maintaining the building during the remainder of the calendar or fiscal year, as may be provided by the resolution required by section (15) hereof, and the cost of maintaining and operating the building for the succeeding like calendar or fiscal year, the excess over such amount shall be transferred to the sinking fund.

(18) The County Buildings Commission may issue refunding bonds for the purpose of providing funds for the payment of any outstanding bonds, in accordance with the proceedings prescribed for the issuance of the original bonds. The refunding bonds shall be secured to the same extent and shall have the same source of payment as the bonds which are refunded.

(19) If the County Buildings Commission finds that the bonds authorized will be insufficient to accomplish the purpose desired, additional bonds may be authorized and issued subject to the same procedure.

(20) When the county has paid rent sufficient to amortize the cost of erecting, acquiring, remodeling or improvement of the building

and appurtenances and to maintain the building and pay the cost of insurance, the County Buildings Commission shall thereupon convey the premises to the county and shall transfer any balance remaining in the funds provided for in sections (15) through (17) hereof to the account of the county.

(21) Notwithstanding any of the other provisions hereof, the County Buildings Commission may, by declaring its desire to do so, provide, in addition to all of the other provisions authorized herein, in connection with the issuance of its bonds, that such bonds shall be its general obligations and may, in connection with the issuance of its bonds, execute a mortgage deed of trust in favor of a trustee, providing that in the event of default by the Commission in the payment of interest or principal of its bonds or in the event of default of any other covenant contained in such mortgage deed of trust the trustee, upon behalf of the bondholders, may institute and carry through foreclosure proceedings, with the property secured by the mortgage deed of trust put up for sale on foreclosure proceedings, the proceeds of such sale to be used for the benefit of the bondholders. In connection with such plan of financing, such provisions may be inserted in the bonds themselves and in the mortgage deed of trust as may be necessary to protect the bondholders and in order to make such bonds saleable with the lowest net interest cost to the Commission. If the County Buildings Commission declares its intent by resolution to follow the provisions of this section, and in order to do so it is necessarily inconsistent that the provisions of any other section of this law be complied with, such other provisions of this law which are necessarily inconsistent with the provisions of this section shall not be complied with to the extent but only to the extent of such necessary inconsistency. If general obligations of the County Buildings Commission are issued pursuant to the provisions of this section, such obligations shall be general obligations only of the County Buildings Commission as a public corporation and shall not be general obligations of the individual members of such County Buildings Commission to any extent. It is the intent of this section to permit to the County Buildings Commission, if it desires to do so, to issue obligations under this section which may also be secured in the same way that obligations issued under the provisions of other sections of this law are secured, to the full extent that this may be done consistent with the provisions of this section.

(22) The provisions hereof are additional and alternate methods for the acquisition, construction, remodeling and improvement of buildings by counties and do not include, alter, amend or repeal any other statute. No proceedings shall be required for the issuance of any bonds under the provisions of this law, except such as are prescribed herein.

(23) The provisions of this law are severable, and if any section, paragraph, clause or provision should ever be held to be invalid, it shall not affect the validity of the remaining provisions of this law, it being hereby declared to be the intent that the provisions which are valid shall be upheld and in full force and effect.

SB 194, AN ACT relating to the Department of Industrial Relations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (1) of Section 336.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department shall exercise all administrative functions of the state concerned with the following:

(a) *Employer—employe relationships;*
(b) *Safety and health of workers;*
(c) *Wages and hours of workers;*
(d) *Child labor;*
(e) *Apprenticeship programs;*
(f) *Private employment agencies;*
(g) *The Workmen's Compensation Board;*
(h) *The Subsequent Injury Claim Fund;*
(i) *The Board of Claims;*

[The department shall exercise all administrative functions of the state concerned with employer—employe relationships, including: (a) Safety of workers; (b) The Workmen's Compensation Board; (c) Public Employment Offices; and (d) The Director of Unemployment Compensation.]

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any person subpoenaed by the Commissioner of the Department of Industrial Relations or his authorized representative to appear on behalf of the Department of Industrial Relations in any court or administrative proceeding shall be paid his necessary expenses for attendance.

(2) The members of any board or similar body organized pursuant to a provision of law assigned to the Department of Industrial Relations for administration or enforcement shall be paid their necessary expenses arising out of the attendance of meetings and the performance of official duties.

(3) Expenses authorized by this section shall include, but shall not be limited to, board, lodging, and traveling expenses. Traveling

expenses, when computed on a mileage basis for the use of private automobiles, shall be computed at the same rate per mile as allowed officials and employes of the Commonwealth. Expenses shall be paid by the Commonwealth after presentation of proper vouchers which shall be audited and approved by the Commissioner of the Department of Industrial Relations.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

Pursuant to violations of any provision of law over which the Department of Industrial Relations has the express or implied authority to administer or to enforce, the Department of Industrial Relations shall have the authority to institute or cause to be instituted in a court of competent jurisdiction prosecutions for such violations and may participate in the conduct of or may conduct such prosecutions, including matters on appeal arising out of such prosecutions.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

The Commissioner of the Department of Industrial Relations with the approval of the Governor shall have the authority to enter into reciprocal agreements with similar agencies of other states for the collection of employe wage claims against employers and other claims taken over for collection by assignment. Pursuant to such an agreement the Commissioner of the Department of Industrial Relations and his authorized representatives shall have the authority to do every thing necessary to aid and assist in the collection of such claims assigned to agencies of other states including the authority to institute and conduct civil proceeding in the Courts of the Commonwealth.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Any person who hinders or delays the Commissioner of the Department of Industrial Relations or his authorized representative in the performance of his duties arising out of any provision of law or any matter over which the Department of Industrial Relations has jurisdiction to administer or to enforce shall be fined not less than twenty-five dollars nor more than one hundred dollars.

(2) Any person who violates any provision of law including any rules or administrative regulation over which the Department of Industrial Relations has jurisdiction to administer or to enforce and for which no other penalty is provided shall be fined not less than ten dollars nor more than one hundred dollars.

(3) Each day of violation of Subsection (1) and of Subsection (2) of this section shall constitute a separate offense.

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

Any person who violates Section 336.130 of the Kentucky Revised Statutes shall be fined not less than five-hundred dollars. Each day of violation of KRS 336.130 shall constitute a separate offense.

SB 322, AN ACT relating to court reporters.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 28.460 of the Kentucky Revised Statutes is amended to read as follows:

(1) Reporters for circuit courts, other than courts of continuous session and courts of counties containing a city of the second class, shall receive a salary to be fixed by the fiscal court, to be paid out of the county treasuries of the counties embraced in the district in proportion to the number of days of court provided for by law in each county. In addition to such salary, the reporter shall be entitled to the fees provided for in this section.

(2) The fees of reporters for circuit courts, other than courts of continuous session and courts of counties containing a city of the second class, shall be *twenty-five* [fifteen] dollars per day for taking shorthand notes, provided that no reporter shall charge more than *twenty-five* [fifteen] dollars per day, and *forty* [thirty] cents per hundred words for the original transcript thereof.

(a) In criminal cases the fees shall be paid, upon the order of the presiding judge, by the county in which the court is situated, if the transcript is ordered for the use of the Commonwealth's attorney. If the taking or the transcript is requested upon the motion of the defendant, he shall pay for same if, in the opinion of the court, he is able to do so. If it appears that the defendant is not able to pay for the taking or for the transcript, the court shall direct the same to be paid by the county.

(b) In civil cases the fees shall be paid forthwith by the party in whose behalf the report of transcript is ordered, and shall be taxed as part of the costs of the action. The reporter shall not be required to file a transcript in any civil case without payment therefor by the party in whose behalf it is ordered.

(3) For duplicate copies of transcripts reporters of circuit courts, other than courts of continuous session and courts of counties containing a city of the second class, shall be allowed one-half the amount they are allowed for the original, to be paid for in the same manner as the original.

HB 97, AN ACT providing for professional service corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used herein, unless the context indicates otherwise:

(1) "Professional Service Corporation" means a corporation organized under this Act.

(2) "Professional service" means any type of personal service to the public which requires as a condition precedent to the rendering of such service the obtaining of a license or other legal authorization and which, prior to the passage of this Act and by reason of law or a professional code of ethics, could not be performed by a corporation. The personal services which come within the provisions of this Act are the personal services rendered by, but not limited to, certified public accountants, public accountants, chiropractors, osteopaths, physicians and surgeons, doctors of medicine, doctors of dentistry, podiatrists, chiropodists, architects, veterinarians, optometrists and attorneys at law.

(3) "Regulating board" means the governmental agency which is charged by law with the licensing and regulation of the practice of the profession which the professional service corporation is organized to render.

Section 2. (1) One or more individuals, each of whom is licensed to render the same professional service, may incorporate and form a professional service corporation by filing articles of incorporation in the office of the Secretary of State. Such articles of incorporation shall meet the requirements of KRS Chapter 271, and in addition to the information required by KRS 271.035, such articles shall contain the following:

(a) The designation of the profession to be practiced through the professional service corporation.

(b) The names and residence addresses of all the original shareholders of the professional service corporation.

(c) A statement by the incorporator or incorporators that each of the incorporators, directors, officers and shareholders is duly licensed to practice such profession.

(2) Any professional service corporation formed under the provisions of this Act shall, except as this Act may otherwise provide, have the same powers, authority, duties and liability as corporations formed under KRS Chapter 271.

Section 3. Notwithstanding the provisions of KRS 271.345, a professional service corporation which has only one shareholder need have only one director and one incorporator who shall be such shareholder and who shall fill all of the offices of the corporation. Likewise, a professional service corporation which has only two shareholders need have only two directors and incorporators who shall be the shareholders and who shall fill all the offices of the corporation. A professional service corporation which has three or more shareholders shall have the number of directors and officers required by KRS Chapter 271.

Section 4. No person may be an officer, director or shareholder of a professional service corporation unless he is and remains duly licensed and free from legal disability to render the professional services for which the corporation was organized.

Section 5. No professional service corporation provided for in this Act may render professional services except through officers, employes and agents who are duly licensed or otherwise legally authorized to render such professional services within this state. This provision shall not be interpreted to include in the term "employe" as used herein, clerks, secretaries, bookkeepers, technicians and other assistants who are not usually and ordinarily considered by custom and practice to be rendering professional services to the public for which a license or other legal authorization is required.

Section 6. This Act does not alter any law applicable to the fiducial or other relationship between a person rendering professional services and a person receiving such services. The corporation shall be jointly and severally liable to the full value of its assets for any negligent or wrongful acts or misconduct committed by any of its officers, shareholders, agents or employes while they are engaged on behalf of the corporation in the rendering of professional service. No shareholder, director, officer or employe of a professional service corporation shall be personally liable for the debts or other contractional obligations of the corporation. Notwithstanding any contrary provisions of law, a corporation organized under this Act may charge and collect fees for the professional services of its officers, employes or agents, and may compensate those who render such professional services.

Section 7. Nothing in this Act shall restrict or limit in any manner the authority and duty of any board of competent jurisdiction (a) to license individual persons rendering professional services, or (b) to regulate the practice of the profession which is within the jurisdiction of such regulating board, even though such person is an officer, director, shareholder, or employe of a professional service corporation or engages in the practice of such profession through a professional service corporation.

Section 8. The corporate name of a corporation organized under this Act shall contain the last name of one or more of its shareholders and the word "chartered" or "professional service corporation" or the abbreviation "P.S.C." However, a professional service corporation may render professional services and exercise its authorized powers under a name which is identical to its corporate name except that the word "chartered" or "professional service corporation" or the abbreviation "P.S.C." is omitted, provided that the corporation has first registered the name to be so used in the manner provided by law in KRS 365.010.

Section 9. A professional service corporation organized under this Act may consolidate or merge only with another domestic professional service corporation organized under the provisions of this Act to perform the same kind of professional services.

Section 10. (1) The articles of incorporation may provide for the purchase or redemption of the shares of any shareholder within one year after the death or disqualification to practice the profession of such shareholder, or for the purchase or redemption within said time of all of the share of any shareholder desiring to sell them, all of whom are herein sometimes called "withdrawing shareholders" or, in default of such provisions in the articles of incorporation, the foregoing provisions and time limitation may be included in the by-laws of a professional service corporation, or, if no such provision and time limitation is made in the articles of incorporation or by-laws, they may be provided for by such private agreement or agreements as the stockholders and corporation may enter into. Any such article, by-law or agreement shall provide that in the event of the death or disqualification of a shareholder or of the tender of his shares for redemption by a shareholder, all of the stock of such deceased or disqualified shareholder must be redeemed by said corporation within a period of one year following the death or disqualification of such shareholder or the tender of his stock for redemption by a shareholder. If such stock is not redeemed by the corporation within said period, then within ten days following the end of said period the President and/or secretary of the corporation shall give notice thereof to the Secretary of State of Kentucky and, upon receipt of such notice by the Secretary of State, the charter of the corporation shall be immediately void.

(2) In the absence of such provisions in the articles of incorporation, by-laws or by private agreement, a professional service corporation shall redeem the shares of a withdrawing shareholder within ninety days after the death or disqualification of a shareholder or of the receipt by the corporation of written notice from a shareholder that he desires to sell or transfer all his shares of stock in the corporation upon terms mutually agreeable to the parties.

(3) If the sole shareholder of a professional service corporation organized pursuant to this Act dies, it shall be the duty of his personal representative to so notify the Secretary of State, whereupon the charter of such corporation shall lapse.

(4) In the absence of (i) an article, by-law or agreement as provided for in Section 10 (1) or (ii) a sale as provided for within the time stated in Section 10 (2) hereof, a professional service

corporation, within one hundred eighty days after the death or disqualification of a shareholder or within the same period after receiving written notice from a shareholder that he desires the corporation to redeem all of his stock in the corporation, shall institute an equitable action for a determination of the fair market value of all of the shares of the corporations outstanding stock owned by such shareholder.

(a) The court shall designate a time for a hearing and at said hearing shall appoint a disinterested appraiser to determine the fair market value of such shares. The court shall administer an oath to the appraiser to honestly and faithfully discharge his duties and shall fix a time and place for the appraiser to begin hearing evidence on such fair market value. The appraiser shall have the powers conferred upon master commissioners by KRS 27.100 (2) and shall afford a reasonable opportunity to the corporation and the shareholder or personal representative of a deceased shareholder to introduce pertinent evidence on such fair market value. The appraiser shall conduct his hearings as expeditiously as practicable, and upon completion of the hearing shall report in writing to the court his determination of the fair market value of such shares and shall file with the court a written transcript of the testimony heard by him, together with all exhibits introduced in evidence.

(b) The corporation or any withdrawing shareholder may, within ten days after the filing of the appraiser's report, file exceptions thereto. Such exceptions shall be heard and decided by the court upon the evidence submitted to the appraiser as shown by the transcript. After hearing the exceptions to the appraiser's report, or if no exceptions thereto have been filed within the time hereinbefore provided for, the court shall enter final judgment determining such fair market value of the shares of each withdrawing shareholder and shall direct payment thereof by the corporation to each withdrawing shareholder and the surrender of the duly endorsed certificate or certificates representing his shares.

(5) If a professional service corporation fails to bring the above provided for action for the redemption of its shares within the time provided, then within ten days after the end of said period, the president of the corporation, and if he be then dead, the secretary thereof, shall so notify, in writing, the Secretary of State of Kentucky, and upon receipt of such notice by the Secretary of the State of Kentucky, the charter of the professional service corporation shall be void.

(6) If the obligation of the corporation to redeem any shares of its outstanding stock as set out in the preceding paragraphs of Section 10 of this Act would render the corporation insolvent, then upon demand for such redemption the corporation shall forthwith liquidate and dissolve.

Section 11. In addition to the matter required to be included in annual reports by KRS Chapter 271, there shall be included in the annual report of each professional service corporation (a) the name and residence addresses of all shareholders of said professional service corporation, and (b) a certificate signed by the president of the corporation certifying that all of its shareholders are duly licensed to render the same professional services as those for which the corporation was incorporated. A duplicate original copy of such annual report shall be filed with the Regulating Board which licenses the shareholders described in the certificate.

Section 12. No professional service corporation organized under this Act shall engage in any business other than the rendering of the professional service for which it was specifically incorporated; provided, however, that nothing in this Act or in any other provisions of existing law applicable to corporations shall be interpreted to prohibit such corporation from investing its funds in real estate, mortgages, stocks, bonds, or any other type of investment, or from owning real or personal property necessary for the rendering of professional services. No professional service corporation shall be organized to render more than one professional service.

Section 13. This Act shall not apply to any person within this state who, prior to the passage of this Act, was permitted to organize a corporation and perform professional services by the means of such corporation, and this Act shall not apply to any corporation organized by such persons prior to the passage of this Act. Provided that any such corporation may bring itself within the provisions of this Act by amending its articles of incorporation in such a manner as to be consistent with all of the provisions of this Act and by affirmatively stating in the amended articles of incorporation that the shareholders have elected to bring the corporation within, and have accepted the provisions of, this Act.

Section 14. Any person who fails or refuses to do any act or perform any duty required of him by this Act, or who causes or permits a false statement to be included in the articles of incorporation of any professional service corporation shall be fined not more than $1,000.00 or imprisoned for a period of not more than one year, or both.

Section 6 of House Bill 97 is amended to read as follows:

"Section 6. This Act shall not alter any law applicable to, or otherwise affect the fiducial, confidential, or ethical relationship between a person rendering professional services and a person receiving such services. The corporation shall be jointly and severally liable, with the tort feasor, to the full value of its assets for any negligent or wrongful acts or actionable misconduct committeed by any of its officers, shareholders, agents or employees while they are engaged on behalf of the corporation in the rendering of professional service. Provided, however, that no shareholder, director, officer or employee of a professional service corporation shall be personally liable for the contractual obligations of the corporation. Notwithstanding any contrary provisions of law, a corporation organized under this Act may charge and collect fees for the professional services of its officers, directors, agents or employees, and may compensate those who render such professional services."

Section 8 of House Bill 97 is amended to read as follows:

"Section 8. The corporate name of a corporation organized under this Act shall consist of only the last names of two or more of its shareholders, and the word 'chartered' or 'professional service corporation' or the abbreviation 'P.S.C.' unless there is only one stockholder, in which event the corporate name shall consist of the stockholder's name and one of the aforementioned suffixes. However, a professional service corporation may render professional services and exercise its authorized powers under a name which is identical to its corporate name except that the word 'chartered' or 'professional service corporation' or the abbreviation 'P.S.C.' is omitted, provided that the corporation has first registered the name to be so used in the manner provided by law in KRS 365.010. Provided, further, that nothing contained herein shall be construed to authorize advertising of professional services in any manner contrary to the ethical standards of the profession involved, and such standards may be enforced under Section 7 hereof, by appropriate regulation of the governing board thereof."

SB 245, AN ACT relating to public offices and officers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Sections 61.092, 61.094, 61.096 and 61.990 of the Kentucky Revised Statutes are repealed.

HB 388, AN ACT relating to archaeological sites and objects of antiquity.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is hereby declared to be the public policy of the Commonwealth to preserve archaeological sites and objects of antiquity for the public benefit and to limit exploration, excavation and collection of such matters to qualified persons and educational institutions possessing the requisite skills and purpose to add to the general store of knowledge concerning history, archaeology and anthropology.

Section 2. As used in this Act, unless the context otherwise requires:

(1) "Archaeological site" means any place where articles of value in the scientific study of historic or prehistoric human life and activities may be found, such as mounds, earthworks, forts, mines, burial grounds, graves and village or camp sites of Indians or any aboriginal race or pioneers.

(2) "object of antiquity" means a ruin, monument, relic, bone deposit, artifact or any product of human workmanship of Indians or any aboriginal race or pioneers.

(3) "Department" means the Department of Anthropology of the University of Kentucky.

Section 3. No person shall wilfully injure, destroy or deface any archaeological site or object of antiquity situated on lands owned or leased by the Commonwealth or any state agency or any political subdivision or municipal corporation of the Commonwealth.

Section 4. (1) No person shall explore, excavate, appropriate or remove from land owned or leased by the Commonwealth or any state agency or any political subdivision of municipal corporation of the Commonwealth, any archaeological site or object of antiquity without first obtaining a permit from the Department of Anthropology upon the recommendation of the agency owning or having control of the land upon which the same is situated.

(2) If exploration or excavation of archaeological sites and the finding and gathering of objects of antiquity is undertaken for the benefit of reputable museums, universities, colleges or other recognized scientific or educational institutions with a view to promoting the knowledge of archaeology or anthropology permits shall be regularly granted.

(3) Each permit issued by the department under this section shall accurately describe the location and sites of the ruins or deposits where the exploration or excavation is to be conducted and shall authorize such actions only at such location. The permit shall be upon such conditions as the department shall deem advisable for maximum effective exploration with a minimum of injury to the surrounding terrain. Each permit shall terminate upon the following thirty-first day of December, subject to an annual renewal on or before the following January 15. However, any permit may be revoked by the department at any time upon finding that explorations or excavations authorized by the permit are not being conducted lawfully or properly in accordance with its terms.

Section 5. The department may designate archaeological sites and objects of antiquity and cause to be posted at the locations thereof appropriate signs or markers.

Section 6. Any person who discovers an archaeological site or object of antiquity in the course of construction work or otherwise shall report such discovery to the department.

Section 7. The department may enter into contracts or cooperative agreements with private landowners relating to the preservation and proper exploration of any archaeological site or object of antiquity situated on such private land. The department may acquire with any funds available to it for such purpose title to any real estate upon which is located an archaeological site or object of antiquity which the department determines it is important to be preserved.

Section 8. Any person who violates the provisions of Section 3 or subsection (1) of Section 4 of this act shall be fined not less than fifty dollars nor more than five hundred dollars or confined in jail for not less than ten days nor more than six months, or both fined and imprisoned.

SB 274, AN ACT relating to interlocal contracts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act may be cited as the Interlocal Cooperation Act.

Section 2. It is the purpose of this Act to permit local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs and development of local communities.

Section 3. As used in this Act, unless the context otherwise requires:

"Public agency" means any political subdivision of this state; any agency of the state government or of the United States.

Section 4. (1) Any power or powers, privileges or authority exercised or capable of exercise by a public agency of this state may be exercised and enjoyed jointly with any other public agency of this state, or of the United States to the extent that the laws of the United States permit such joint exercise or enjoyment. Any agency of the state government when acting jointly with any public agency may exercise and enjoy all of the powers, privileges and authority conferred by this Act upon a public agency.

(2) Any two or more public agencies may enter into agreements with one another for joint or cooperative action pursuant to the provisions of this Act. Appropriate action by ordinance, resolution or otherwise pursuant to law, of the governing bodies of the participating public agencies shall be necessary before any such agreement may enter into force.

(3) Any such agreement shall specify the following:

(a) The duration of the agreement;

(b) The precise organization, composition and nature of any separate legal or administrative entity created thereby together with a statement of the powers delegated thereto; provided such legal entity may be legally created;

(c) The purpose or purposes of such legal or administrative entity;

(d) The manner of financing the joint or cooperative undertaking and of establishing and maintaining a budget therefor;

(e) The permissable method or methods to be employed in accomplishing the partial or complete termination of the agreement and for disposing of property upon such partial or complete termination;

(f) Any other necessary and proper matters.

(4) In the event that the agreement does not establish a separate legal or administrative entity to conduct the joint or cooperative undertaking, the agreement shall, in addition to items (a), (c), (d), (e) and (f) enumerated in subsection (3) of this section, contain the following:

(a) Provision for an administrator or joint board responsible for administering the joint or cooperative undertaking. In the event that a joint board is established, the public agencies party to the agreement shall be represented thereon;

(b) The manner of acquiring, holding and disposing of real and personal property used in the joint or cooperative undertaking.

(5) No agreement made pursuant to this Act shall relieve any public agency of any obligation or responsibility imposed upon it by law except that to the extent of actual and timely performance thereof by a joint board or other legal or administrative entity created by an agreement made pursuant to this Act, said performance may be offered in satisfaction of the obligation or responsibility.

(6) Every agreement made pursuant to this Act shall, prior to and as a condition precedent to its entry into force, be submitted to the Attorney General who shall determine whether the agreement is in proper form and compatible with the laws of this state. The Attorney General shall approve any agreement submitted to him under this subsection unless he finds that it does not meet the conditions set forth in this Act. In the event that the agreement

does not meet such conditions, the Attorney General shall detail in writing, addressed to the governing bodies of the public agencies concerned, the specific respects in which the proposed agreement fails to meet the requirements of law.

Section 5. (1) Whenever any two or more public agencies, as defined in this Act, enter into an agreement for joint or cooperative action pursuant to the provisions of this Act, any such public agency acting separately or jointly with one or more of any such agencies, may acquire, construct, maintain, add to and improve the necessary property, real and personal, which is required in order to perform the functions under the agreement, and for the purpose of defraying the costs incident to the performance of such agreement, may borrow money and issue negotiable revenue bonds.

(2) Any public agency or agencies may borrow money and issue bonds under this section pursuant to an order, resolution or ordinance of its or their legislative or administrative body or bodies, which order, resolution or ordinance shall set forth the terms of the agreement in full, the amount of the revenue bonds to be issued and the maximum rate of interest. In every instance the order, resolution or ordinance shall provide that the joint or cooperative action is being undertaken pursuant to the provisions of this Act.

(3) The bonds may be issued to bear interest at a rate not to exceed six percent per annum, payable either annually or semi-annually, and shall be executed in such manner and be payable at such times not exceeding thirty years from the date of issuance and at such place or places as the public agency or agencies determines.

(4) The bonds may provide that they or any of them may be called for redemption prior to maturity, on interest payment dates not earlier than one year from the date of issuance of the bonds.

(5) Any public agency is hereby empowered to accept donations or gifts to the joint or cooperative action from any source and to accept appropriations and grants to the joint or cooperative action from the Federal Government or any agency thereof and appropriations from the state or any county, city or other political subdivision and, at the option of the public agency or agencies, to pledge such donations, gifts or appropriations to the payment of revenue bonds issued to finance the cost of such joint or cooperative action.

(6) Bonds issued pursuant to this section shall be negotiable and shall not be subject to taxation. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be such officer before delivery of the bonds, his signature or countersignature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until delivery. The bonds shall be sold in such manner and upon such terms as the public agency or agencies deem best. In no event shall any bonds be negotiated on a basis to

yield more than six percent, except as provided in subsection (4) of this section. The bonds shall be payable solely from the revenue derived from the joint or cooperative action and shall not constitute an indebtedness of the state, county, city or political subdivision. It shall be plainly stated on the face of each bond that it has been issued under the provisions of this Act.

(7) All money received from the bonds shall be applied solely for the acquisition, construction, maintenance, improvement or operation of the joint or cooperative action, and the necessary expense of preparing, printing and selling said bonds, or to advance the payment of interest on the bonds during the first three years following the date of the issuance of the bonds.

(8) Before the issuance of the bonds the public agencies party to the agreement shall, by orders, resolutions or ordinances of their respective legislative bodies, set aside and pledge the income and revenue of the joint or cooperative action including rents, royalties, fees and proceeds of sales of property and from rates and charges for services derived or rendered by the joint or cooperative action into a separate and special fund to be used and applied in payment of the cost of the maintenance, operation and depreciation incident to the joint or cooperative action. The orders, resolutions or ordinances shall determine and fix the amount of revenue necessary to be set apart and applied to the payment of principal and interest of the bonds, and the proportion of the balance of the income and revenue to be set aside as a proper and adequate depreciation account. The remaining proportion of such balance shall be set aside for the reasonable and proper operation and maintenance of the joint or cooperative action.

(9) The rents, royalties, fees, rates and charges for the service or sale of the joint or cooperative action shall be fixed and revised from time to time so as to be sufficient to provide for the payment of interest upon all bonds and create a sinking fund to pay the principal of such bonds when due, and to provide for the operation and maintenance of the joint or cooperative action and an adequate depreciation account.

Section 6. In the event that a public agency or agencies determine to transfer any of its employes to the joint or cooperative action, which employers are subject to any civil service laws or regulations, such employes shall not lose any rights or benefits which have accrued prior to such transfer.

Section 7. In the event that the joint or cooperative action is such that its employes would be afforded civil service pension rights or benefits if they were employes of a county or city, such employes may be afforded the protection of civil service laws or regulations; provided, however, that such protection is available under the laws of this state.

Section 8. Before any agreement made pursuant to this Act shall become operative or have force and effect, a certified copy thereof shall be filed with: the county clerk of the county which is party to the agreement; the city clerk of the city which is party to the agreement; with the county clerk of the county wherein any other political subdivision of the state is located which is party to such agreement; and with the Secretary of State.

Section 9. In the event that an agreement made pursuant to this Act shall deal in whole or in part with the provision of services or facilities with regard to which an officer or agency of the state government has constitutional or statutory powers of control, the agreement shall, as a condition precedent to its entry into force, be submitted to the state officer or agency having such power of control and shall be approved or disapproved by such officer or agency as to all matters within the jurisdiction of such officer or agency in the same manner and subject to the requirements governing the action of the Attorney General pursuant to Section 4 (6) of this Act. The requirement of this section shall be in addition to and not in substitution for the requirement of submission to and approval by the Attorney General under Section 4 (6) of this Act.

SB 352, AN ACT relating to circuit judges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Any circuit judge who has served as much as a full six year term shall receive credit for a regular month's service for any part of a month that he serves as a special circuit judge. Such credit shall be tabulated in satisfying the requirements set forth in House Bill No. 65, enacted at the 1962 Regular Session of the General Assembly.

SB 55, AN ACT relating to costs and attorneys' fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

In any action to collect a debt the party against whom the judgment is rendered shall pay all costs and a reasonable allowance for the attorney's fee regardless of the amount in controversy.

SB 234, AN ACT relating to motor vehicle operator licenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 186.531 of the Kentucky Revised Statutes is amended to read as follows:

(1) The cost of operator's licenses and permits shall be as follows:

(a) The fee for an original or renewal license shall be *three* [two] dollars;

(b) The fee for an instruction permit shall be fifty cents plus fifty cents for preparing and acknowledging such application; and

(c) The fee for a duplicate license shall be one dollar.

(2) The circuit clerk shall retain fees pertaining to applications and license fees in the following manner:

(a) Thirty-three and one-third [thirty-seven and one-half] percent of any original and renewal licenses;

(b) Fifty cents for issuance of an instruction permit;

(c) Fifty cents for preparing and acknowledging an application for an instruction permit; and

(d) Seventy-five cents for preparing and acknowledging an application for a duplicate.

(3) The remainder of all fees, and other moneys collected by the circuit court clerk shall be forwarded to the Department of Revenue.

Section 2. The effective date of this Act shall be July 1, 1962.

HB 194, AN ACT relating to the office of Assistant County Attorney.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 69.275 of the Kentucky Revised Statutes is amended to read as follows:

(1) The office of assistant county attorney in counties having a population of less than 150,000 and not containing a city of the second class, is hereby created.

(2) The assistant county attorney shall be appointed by the county attorney for the duration or unexpired part of his term, but shall be subject to removal at any time by the county attorney.

(3) The assistant county attorney shall possess the qualifications of a county attorney, and during the absence from the county of the county attorney or his inability to attend shall act as county attorney and have the same powers and perform all the duties now or hereafter imposed on county attorneys by law, and while so acting shall be paid and receive the fees and commissions that the county attorney would have received if present and acting, the county attorney to continue to receive the salary fixed by the fiscal court. [, but in no event shall the total amount of salaries, fees and commissions paid the county attorney and his assistant county attorney acting under the provisions hereof exceed the sum of five thousand dollars in any one year.]

Section 2. Section 69.276 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county attorney in counties containing a city of the second, third or fourth class may appoint an assistant county attorney for the duration of his term, subject to removal at any time by the county attorney.

(2) The assistant county attorney shall receive an annual salary to be fixed by the fiscal court [at not less than $1200 nor more than $1800] and paid out of the *excess* fees received by the county attorney *or out of the general county levy, and such payment shall not diminish the total salary, fees or commissions paid to the county attorney.* He shall possess the qualifications required of a county attorney and shall have the same powers and perform the same duties as the county attorney, subject to the direction and control of the county attorney. In the absence of the county attorney, the assistant shall act as county attorney, without additional compensation.

SB 329, AN ACT relating to venue of circuit courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Venue of the following cases shall be in the circuit court of the county that would ordinarily have jurisdiction to hear and determine the case [The following actions may be brought in the Franklin Circuit Court, or in any other circuit court having venue:]

(1) Actions to collect the revenue and all other claims, demands and penalties due the Commonwealth, or to have satisfaction made of judgments in favor of the Commonwealth.

(2) Actions against persons required to collect money due the Commonwealth, to pay money into the State Treasury, or to do any other act connected with the payment of money into the State Treasury after it has been collected, and against the sureties, heirs, devisees or representatives of such persons.

(3) Actions to surcharge and correct fee bills, accounts and settlements, with their debits and credits, and all claims against the Treasury allowed and approved by any court in the Commonwealth to any person.

(4) Actions to recover any fraudulent, erroneous or illegal account, fee bill, charge, credit or claim, approved and allowed or paid out of the Treasury to any person.

SB 330, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 131.120 of the Kentucky Revised Statutes is amended to read as follows:

(1) If an aggrieved taxpayer has petitioned for review, as provided in KRS 131.110, he may, within fifteen days after the mailing of notice of the final decision of the Kentucky Tax Commission, appeal from the decision on any question of law, including adequacy of evidence, to the *circuit court of the county in which the taxpayer resides.* [Franklin Circuit Court.] Two copies of the taxpayer's petition of appeal shall be filed with the Department of Revenue on the day it is filed with the clerk of the [Franklin] circuit court. The aggrieved taxpayer shall file as a part of his petition to the [Franklin] circuit court the record before the department, including all the pleadings, orders and such parts of the evidence as he believes necessary to develop the points involved. The Commonwealth may certify other portions of the evidence. To facilitate adjudication of the taxpayer's claims, the department shall furnish him, on payment of a reasonable fee to be fixed by the department, a certified copy of such parts of the record as he may require. The case shall then be heard by the court on record, except that either party may introduce evidence of fraud.

(2) Except as otherwise expressly provided, the provisions of the *Rules of Civil Procedure* [Civil Code] shall govern procedure involving appeals from any order, ruling or finding of the Kentucky Tax Commission.

HB 297, AN ACT relating to city attorneys.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 69.410 of the Kentucky Revised Statutes is repealed.

SB 291, AN ACT relating to and permitting the sale of real property owned by cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 82.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) All cities are hereby authorized to sell any real estate owned by them and surplus to their needs, *including property acquired for or held in trust for park purposes, whether by purchase or by grant,* when the public purpose to which said real estate has been dedicated has been abandoned, *or is no longer needed or suitable for such purposes* [as to said real estate].

(2) Before any real estate acquired for or held in trust for park purposes shall be offered for sale it must be determined by ordinance

that such real estate is no longer needed or suitable for park purposes, and the proceeds of sale thereof shall be reinvested by the city in other park property or to the improvement of existing parks, and the purchaser shall not be required to look to the application of the proceeds of such sale.

HB 240, AN ACT relating to auctioneers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act shall be known and may be cited as the Auctioneers License Act of 1962.

Section 2. As used in this Act unless the context otherwise requires:

(1) "Apprentice auctioneer" means any person, who for compensation or valuable consideration, or otherwise, is employed, directly or indirectly, by an auctioneer to deal or engage in any activity in subsection (2);

(2) "Auctioneer" means any person who, for a fee, commission, or any other valuable consideration, or with the intention or expectation of receiving the same, by the means of, or process of, an auction or sale at auction, offers, negotiates or attempts to negotiate, a listing contract, sale, purchase or exchange of goods, chattels, merchandise, real or personal property, or of any other commodity which may lawfully be kept or offered for sale by or at public auction;

(3) "Board" means the Board of Auctioneers;

(4) "Goods" means any chattels, goods, merchandise, real or personal property, or commodities of any form or type which may be lawfully kept or offered for sale;

(5) "Persons" includes individuals, associations, partnerships and corporations, and the word "persons" shall also include the officers, directors and employes of a corporation.

Section 3. On and after July 1, 1962, it shall be unlawful for any person to act as an auctioneer or apprentice auctioneer, or to advertise or to assume to act as either within the Commonwealth without a license issued by the Board of Auctioneers.

Section 4. Section 3 of this Act shall not apply to:

(1) Sales at auction conducted by or under the direction of any public authority or pursuant to any judicial order or decree, or to any sale required by law to be at auction.

(2) The owner of any real or personal property.

Section 5. (1) There is hereby created a Board of Auctioneers. The Governor shall upon the effective date of this Act, appoint a

Board consisting of three members, each of whom immediately prior to the date of his appointment has been a resident of the Commonwealth of Kentucky for five years, and whose vocation for a period of at least five years has been that of an auctioneer. One member shall be appointed for a term of one year; one member shall be appointed for a term of two years; one member shall be appointed for a term of three years. Each member shall serve until his successor is appointed and qualified. Thereafter, the term of the members of the Board shall be for three years and until their successors are appointed and qualified. Members to fill vacancies shall be appointed for the unexpired term.

(2) At no time shall there be more than two members of the same political faith on the Board. Whenever there is a vacancy on the Board the Kentucky Auctioneer Association shall recommend to the Governor at least three names for each vacancy and the appointment or appointments shall be made from the recommendations of the association.

(3) The board immediately upon qualification of the member appointed in each year, shall organize by selecting from its members a chairman.

(4) Each member of the board shall receive the sum of twenty-five dollars per day as full compensation for each day actually spent on the work of the board and his actual and necessary expenses incurred in the performance of duties pertaining to his office.

(5) The board shall have full authority to employ, and discharge, a secretary and such other personnel as may be necessary to administer and enforce the provisions of this Act, and it shall outline the duties and fix the compensation of such persons, which compensation shall be comparable to the salaries paid other state employees doing similar work. The board shall obtain office space, furniture, stationery and any other proper supplies and conveniences reasonably necessary to carry out the provisions of this Act.

(6) All fees and charges collected by the board under the provisions of this Act shall be paid into the State Treasury through the Department of Finance and shall be credited to an agency-fund account for the Board of Auctioneers under the provisions of KRS 45.140 and shall be withdrawn or expended as provided in that section. The total expenses for all purposes and obligations of the board shall not exceed the total fees, charges, fines and penalties imposed under the provisions of this Act and paid into the State Treasury. The board shall be financially self-sustaining, and if funds permit, it may underwrite, within its financial limitations, educational programs for the enlightenment and benefit of all auctioneers and apprentice auctioneers who have paid fees pursuant to this chapter.

(7) The board shall annually publish a list of the names and addresses of all auctioneers and apprentice auctioneers licensed by it

pursuant to this Act. This list shall also contain the names of all persons whose licenses have been suspended or revoked within the preceding year, as well as any other information relative to the enforcement of the provisions of this Act that the board may deem of interest to the public.

Section 6. (1) Auctioneer and apprentice auctioneer licenses shall be granted only to persons who are found to be of good repute, trustworthy and competent to transact the business of an auctioneer or of an apprentice auctioneer in such a manner as to safeguard the interest of the public.

(2) The board is authorized to require information from every applicant to determine the applicant's honesty and truthfulness.

(3) In addition to proof of honesty, truthfulness and good reputation, an examination, conducted by the board or its authorized representative shall be held four times each year, and an examination fee of fifty dollars shall be collected from each applicant to defray the expenses of the examination. The examination shall include questions on ethics, reading, writing, spelling, elementary arithmetic, elementary principles of land economics and a general knowledge of the statutes of Kentucky relating to the bulk sales law, deeds, mortgages, contracts of sale, agency, leases, auctions, brokerage and the provisions of this Act. The examination for an auctioneer's license shall be of a more exacting nature and scope than the examination for an apprentice auctioneer.

(4) However, no examination shall be required for the renewal of any present or future license, unless such license has been revoked, suspended, or is allowed to expire without renewal. In any of these cases, the applicant shall take and pass the written examination offered by the board before a new license may be issued.

(5) The provisions of subsection (3) requiring applicants to pass a written examination to obtain a license shall not apply to an auctioneer or apprentice auctioneer furnishing satisfactory proof to the board that he actively engaged in the auction business for a period of at least one year prior to the effective date of this Act, and that he has been the principal auctioneer in at least five auctions of either real or personal property during this period of time. Such an applicant shall file his application and proof with the board no later than October 1st, 1962, and the application and proof shall be accompanied by a bond and license fee in accordance with the provisions of this Act, provided, however, that a non-resident tobacco auctioneer may qualify by December 1, 1962.

Section 7. (1) In addition to the other qualifications provided for by this Act, every applicant for an auctioneer's license shall be at least twenty-one years of age and be a citizen of the United States. In addition an applicant shall have served a bona fide apprenticeship for a period of one year as an apprentice auctioneer in Kentucky. Every application for a license, whether as an auctioneer or apprentice auctioneer, shall be submitted on forms prepared by the board.

(2) Every applicant for an apprentice auctioneer's license shall be a citizen of the United States and at least eighteen years of age. In addition to other requirements imposed by this Act, the applicant shall furnish pertinent background data as outlined on the application forms furnished by the board.

(3) The issuance fee for each auctioneer's and apprentice auctioneer's license shall be fifteen dollars and the annual renewal fee for each license shall be fifteen dollars. All licenses shall expire on June 30 of each year. In the absence of any reason or condition which might warrant the refusal of the renewing of the license, and upon receipt of the written request of the applicant and the annual fee therefor, the board shall issue a new license for each ensuing year.

(4) The board shall prepare and deliver to each licensee a license certificate and pocket card. The certificate shall be displayed conspicuously at all times in the office of the licensee. The certificate and pocket card of the apprentice auctioneer shall contain the name and address of the auctioneer under whose supervision he is employed.

(5) When any apprentice auctioneer is discharged or terminates his employment with the auctioneer for any reason, it shall be the immediate duty of the auctioneer to deliver or mail by registered mail to the board the license of the apprentice auctioneer. It shall be unlawful for any apprentice auctioneer to perform any of the acts contemplated by this Act, either directly or indirectly, under authority of his license, until the apprentice auctioneer receives a new license bearing the name and address of his new employer. No more than one license shall be issued to any apprentice auctioneer for the same period of time.

(6) Notice in writing shall be given to the board by each licensee of any change of principal business location, whereupon the board shall issue a new license for the unexpired period. A change of business location without notification to the board shall automatically cancel the license previously issued. Changing a business location and issuance of a new license shall entitle the board to collect three dollars.

Section 8. Every application for an auctioneer's or apprentice auctioneer's license shall be accompanied by a bond in the amount of three thousand dollars. The bond shall be a cash bond or a surety bond and, if the latter, shall be executed by a surety company authorized to do business in this state, and shall be made to the board. The bond shall be conditioned that the applicant shall conduct his business in accordance with the provisions of this Act. The bond shall be in a form approved by the board. No license may be issued until such a bond has been filed with the board.

Section 9. (1) A non-resident may become an auctioneer or apprentice auctioneer by conforming to all the conditions of this Act.

(2) In its discretion, however, the board may waive the written examination, provided the non-resident has passed a written examination of the same standards in another state, and is in good standing in that state at the time his application is submitted.

(3) In every instance the non-resident must pay the issuance fee, the annual renewal fee and file the bond required by this chapter. The non-resident must also pay the examination fee unless the examination is waived by the board.

(4) In addition, every non-resident applicant shall file an irrevocable consent that actions may be commenced against the applicant in any court of competent jurisdiction in the Commonwealth, by the service of any summons, process or pleadings authorized by law on the secretary of the board. The consent shall stipulate and agree that the service of such process, summons or pleadings on the secretary shall be taken and held in all courts to be as valid and binding as if actual service had been made upon the applicant in Kentucky. In case any summons, process or pleadings are served upon the secretary of the board, it shall be by duplicate copies, one of which shall be retained in the office of the board, and the other immediately forwarded by registered mail to the last known business address of the applicant against which the summons, process or pleadings may be directed.

Section 10. Every auctioneer licensed under this chapter shall maintain a definite place of business in the Commonwealth, except as hereinafter provided, and shall erect and maintain a sign in a conspicuous place on the premises at or near the outside entrance to the principal office and all branch offices. The sign shall be written in clear and legible letters of not less than two inches in height, and shall clearly show his name and indicate that he is an auctioneer. The sign shall be placed so that it can easily be observed and read by anyone entering the place of business, provided, however, that if the auctioneer is a non-resident, it is not necessary for him to maintain an active place of business in the Commonwealth if he maintains a place of business in the state where he was originally licensed.

Section 11. The board may suspend or revoke the license of an auctioneer or apprentice auctioneer for any of the following causes:

(1) Obtaining a license through false or fraudulent representation;

(2) Making any substantial misrepresentation;

(3) Pursuing a continued and flagrant course of misrepresentation or making false promises through agents or advertising or otherwise;

(4) Accepting valuable consideration as an apprentice auctioneer for the performance of any of the acts specified in this chapter, from any person, except his employer auctioneer.

(5) Failing to account for or remit, within a reasonable time, any money belonging to others that comes into his possession, commingling funds of others with his own, or failing to keep such funds of others in an escrow or trustee account;

(6) Paying valuable consideration to any person for services performed in violation of this Act;

(7) Being convicted in a court of competent jurisdiction of this or any other state of a criminal offense involving moral turpitude or a felony;

(8) Violation of any rule or regulation promulgated by the board;

(9) Failure to furnish voluntarily at the time of execution, copies of all written instruments prepared by the auctioneer or apprentice auctioneer;

(10) Any conduct of an auctioneer which demonstrates bad faith, dishonesty, incompetency or untruthfulness;

(11) Any other conduct that constitutes improper, fraudulent or dishonest dealings;

(12) Failing prior to the sale at public auction to enter into a written contract with the owner or consignee of any property to be sold, containing the terms and conditions upon which such licensee receives the property for sale.

Section 12. The board may upon its own motion, and shall upon the verified written complaint of any person, investigate the actions of any auctioneer or apprentice auctioneer, or any person who assumes to act in either capacity, if the complaint, or complaint together with other evidence presented in connection with it, makes out a prima facie case of a violation of this Act.

Section 13. Before denying an application for license or before suspending or revoking any license, the board shall set the matter down for a hearing, and at least twenty days prior to the date for the hearing it shall notify the applicant or licensee in writing. The notice shall contain an exact statement of the charges made and the date and place of the hearing. The licensee or applicant at all hearings shall have the opportunity to be heard in person and by counsel. Written notice may be served by delivery of the notice personally to the applicant or licensee or by mailing the notice by registered mail to the last known business address of such applicant or licensee. If such applicant or licensee is an apprentice auctioneer, the board shall also notify the auctioneer employing him or whose employ he is about to enter, by mailing notice by registered mail to the auctioneer's last known business address. The hearing on such charges shall be at such time and place as the board shall prescribe.

Section 14. (1) In the preparation and conduct of hearings, the board shall have power to require by subpoena the attendance and testimony of witnesses and the production of papers, and any member of the board may sign subpoenas, administer oaths and affirmations, examine witnesses and receive evidence. The fees and mileage allowance paid to witnesses shall be the same as prescribed by law in judicial procedure in the courts of this Commonwealth in civil cases. Any party to any hearing before the board shall have the right to the attendance of witnesses in his behalf at such hearing upon making a request thereof to the board and designating the person or persons sought to be subpoenaed.

(2) Testimony may be taken by deposition as in civil cases, and any person may be compelled to appear and depose in the same manner as witnesses may be compelled to appear and testify as hereinbefore provided.

(3) In case of disobedience to the subpoena, any member of the board may invoke the aid of any court of competent jurisdiction in requiring the attendance and testimony of witnesses and the production of papers; and such court may issue an order requiring the persons to appear before the board and give evidence and to produce papers as the case may be. Any failure to obey such order of the court may be punished by the court as contempt.

Section 15. If the board determines that an applicant is not entitled to receive a license, a license shall not be granted to such applicant, and if the board determines that any licensee is guilty of a violation of any of the provisions of this chapter, his license shall be suspended or revoked. The board, upon request of the applicant or licensee, shall furnish the applicant or licensee with a definite statement of its findings of facts and its reason or reasons for refusing to grant the license or for suspension of the rights of the licensee, or for the revocation of the license, as the case may be. The findings of fact made by the board acting within its powers shall, in the absence of fraud, be conclusive, but any person aggrieved shall have the right of an appeal from the findings of the board.

Section 16. Any party aggrieved by the action of the board in refusing to grant a license or in suspending or revoking a license may, within ten days after the entry of such order of refusal, revocation or suspension, file in the office of the clerk of the circuit court of the county in which the office of the board is located, an attested copy of the proceedings before the board, provided he shall first post a bond to secure the costs of the action in such sum as may be approved by the clerk of the circuit court, with good and solvent surety. The board shall be a necessary party to all such appeals. The circuit court clerk shall thereupon docket the case and shall immediately issue a summons for the board. No formal pleadings shall be required in such appeals but the case shall be set down by the court for as early a date as possible for a hearing, and after the hearing the court shall enter a judgment sustaining or setting aside the order of the board. Either party may appeal to the Court of Appeals from the judgment of the circuit court.

Section 17. (1) Any auctioneer or apprentice auctioneer who has had his license revoked shall not be issued another license for a period of five years from the date of revocation.

(2) The revocation of an auctioneer's license shall automatically suspend every apprentice auctioneer's license granted to any person by virtue of his employment by the auctioneer whose license has been revoked. The apprentice auctioneer may retain his license, by transferring to the employment of another licensed auctioneer within ten days.

Section 18. The board shall adopt a seal by which it shall authenticate its proceedings. Copies of all records and papers in the office of the board, duly certified and authenticated by the seal of the board, shall be received in evidence in all courts equally and with like effect as the original. All records kept in the office of the board under the authority of this Act shall be open to public inspection under such rules and regulations as shall be prescribed by the board.

Section 19. (1) No person, engaged in the business of or acting in the capacity of an auctioneer or an apprentice auctioneer shall bring or maintain any action in the courts of the Commonwealth for the collection of compensation for any services performed as an auctioneer or apprentice auctioneer without first alleging and proving that he was a duly licensed auctioneer or apprentice auctioneer at the time the alleged cause of action arose.

(2) No apprentice auctioneer shall have the right to institute a suit in his own name for the recovery of a commission, fee or compensation for services as an apprentice auctioneer, but any such act shall be instituted and brought by the licensed auctioneer employing such apprentice auctioneer, provided, however, that this subsection shall not be construed so as to prevent a licensed apprentice auctioneer from suing his employing auctioneer for any compensation, fees or commissions due him from such auctioneer.

Section 20. Nothing contained in this Act shall affect the power of municipalities to tax, license or regulate auctioneers and apprentice auctioneers. The requirements of this Act shall be in addition to the requirements of any existing or future ordinances of any municipality so taxing, licensing, or regulating auctioneers or apprentice auctioneers.

Section 21. Any person who violates Section 3 of this Act shall be punished by a fine of not less than one hundred dollars nor more than five hundred dollars, or by imprisonment for a term not to exceed ninety days, or both.

HB 309, AN ACT relating to the Tombigbee-Tennessee Waterway Development Compact. This Act shall be known as "The Ashby Act."

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Governor on behalf of the Commonwealth is authorized to execute a compact, in substantially the following form, with the other states that are parties to the compact, and the General Assembly, with the provision contained in Section 2 of this Act, signifies in advance its approval and ratification of the compact, which is as follows:

ARTICLE I

The purpose of this compact is to promote the development of a navigable waterway connecting the Tennessee and Tombigbee Rivers by way of the east fork of the Tombigbee River and Mackeys and Yellow Creeks so as to provide a nine-foot navigable channel from the junction of the Tombigbee and Warrior Rivers at Demopolis in the State of Alabama to the junction of Yellow Creek with the Tennessee River at Pickwick Pool in the State of Mississippi, and to establish a joint interstate authority to assist in these efforts.

ARTICLE II

This compact shall become effective immediately as to the states ratifying it whenever the states of Alabama and Mississippi have ratified it and Congress has given consent thereto. Any state not mentioned in this article which is contiguous with any member state may become a party to this compact, subject to approval by the legislature of each of the member states.

ARTICLE III

The states which are parties to this compact (hereinafter referred to as "party states") do hereby establish and create a joint agency which shall be known as the Tennessee-Tombigbee Waterway Development Authority (hereinafter referred to as the "Authority"). The membership of which Authority shall consist of the Governor of each party state and five other citizens of each party state, to be appointed by the Governor thereof. Each appointive member of the Authority shall be a citizen of that state who is interested in the promotion and development of waterways and water transportation. The appointive members of the Authority shall serve for terms of four years each. Vacancies on the Authority shall be filled by appointment by the Governor for the unexpired portion of the term. The members of the Authority shall not be compensated, but each shall be entitled to actual expenses incurred in attending meetings, or incurred otherwise in the performance of his duties as a member of the Authority. The members of the Authority shall hold regular quarterly meetings and such special meetings as its business may require. They shall choose annually a chairman and vice-chairman from among their members, and the chairmanship shall rotate each year among the party states in order of their acceptance of this compact. The secretary of the Authority (hereinafter provided for) shall notify each member in writing of all meetings of the Authority in such a manner and under such rules and regulations as the Authority may prescribe. The Authority shall adopt rules and regulations for the transaction of its business; and the secretary shall keep a record of all its business, and shall furnish a copy thereof to each member of the Authority. It shall be the duty of the Authority, in general, to promote, encourage, and coordinate the efforts of the party states to secure the development of the Tennessee-Tombigbee waterway. Toward this end, the Authority shall have power to hold hearings; to conduct studies and surveys of all problems, benefits, and other matters associated with the development of the Tennessee-Tombigbee waterway, and to make reports thereon; to acquire, by gift or otherwise, and hold and dispose of such money and property as may be provided for the proper performance of their function; to cooperate with other public or private groups, whether local, state, regional, or national, having an interest in waterways development; to formulate and execute plans and policies for emphasizing the purpose of this compact before the Congress of the United States and other appropriate officers and agencies of the United States; and to exercise such other powers as may be appropriate to enable it to accomplish its functions and duties in connection with the development of the Tennessee-Tombigbee waterway and to carry out the purposes of this compact.

ARTICLE IV

The Authority shall appoint a secretary, who shall be a person familiar with the nature, procedures, and significance of inland waterways development and the informational, educational, and publicity methods of stimulating general interest in such developments, and who shall be the compact administrator. His term of office shall be at the pleasure of the Authority and he shall receive such compensation as the Authority shall prescribe. He shall maintain custody of the Authority's books, records, and papers, which he shall keep at the office of the Authority, and he shall perform all functions and duties, and exercise all powers and authorities, that may be delegated to him by the Authority.

ARTICLE V

Each party state agrees that, when authorized by its Legislature, it will from time to time make available and pay over to the Authority such funds as may be required for the establishment and operation of the Authority. The contribution of each party state shall be in the proportion that its population bears to the total population of the states which are parties hereto, as shown by the most recent official report of the United States Bureau of the Census, or upon such other basis as may be agreed upon.

ARTICLE VI

Nothing in this compact shall be construed so as to conflict with any existing statute, or to limit the powers of any party state, or to repeal or prevent legislation, or to authorize or permit curtailment or diminution of any other waterway project, or to affect any existing or future cooperative arrangement or relationship between any Federal agency and a party state.

ARTICLE VII

This compact shall continue in force and remain binding upon each party state until the Legislature or Governor of each or either state takes action to withdraw therefrom; provided that such withdrawal shall not become effective until six months after the date of the action taken by the Legislature or Governor. Notice of such action shall be given to the other party state or states by the Secretary of State of the party state which takes such action.

Section 2. In authorizing the Governor to execute the compact set out in Section 1 of this Act, the General Assembly understands that contributions under Article V of the Compact will not be required from Kentucky, beyond the amount necessary to pay the expenses of Kentucky members of the Authority established by the compact. If at any time a contribution beyond that amount should be required from Kentucky, then Kentucky's participation in the compact becomes subject to further consideration by the General Assembly.

Section 3. With the provision contained in Section 2 of this Act, there is granted to the Governor, to the members of the Authority for Kentucky, and to the compact administrator all the powers provided for in the compact and in this Act. All officers of the Commonwealth are authorized and directed to do all things falling within their respective jurisdictions which are necessary or incidental to carrying out the purposes of the compact.

SB 148, AN ACT relating to constables' fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.190 of the Kentucky Revised Statutes is amended to read as follows:

Constables may *charge and collect for their services the same fees allowed sheriffs for similar services.* [collect, for the following services the following fees:]

[Making arrests for violations involving a motor vehicle on the public highways	$0.50]
[Serving a summons in any civil case, on each defendant, before a justice of the peace	.50]
[Serving a peace or search warrant, for each defendant	1.00]
[Levying an attachment	.50]
[Removing and taking care of any attached goods, livestock or other property taken under the attachment, reasonable fee, to be allowed by the court.]	
[Summoning a garnishee	.50]
[Taking up a vagrant	.50]
[Summoning a witness	.20]
[Collecting money under execution or other legal process, taking a replevin or forthcoming bond, or for a stay of execution, the same commission that may be allowed a sheriff, and one percent more.]	
[Collecting fee-bills, ten percent, to be deducted from the fee-bill.]	
[Summoning and attending a jury	1.00]
[Serving a notice on each person	.25]
[Killing a mad dog	1.00]
[Killing and burying a distempered horse, ass or mule	3.00]
[Killing and burying any other cattle, per head	2.00]
[Altering a stud, jackass or bull	1.00]
[Any other services, the same fees allowed sheriffs for similar services.]	

HB 280, AN ACT relating to stenographic reporters of circuit courts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 28.410 of the Kentucky Revised Statutes is amended to read as follows:

Each circuit judge may appoint an official stenographic reporter for his court or division, except that if his judicial district embraces more than one county, none of which contains a city of the *third* [second] class, he may appoint one official stenographic reporter for the district. The reporter shall be skilled in the profession, and shall hold office at the pleasure of the judge.

Calendar

HB 476, SB 343, SB 347, HB 282, SB 310, HB 294, SB 282, HB 395, HB 347, SB 247, SB 205, SB 306, SR 22, HB 354, SB 144 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected.

Orders of the Day

HB 443 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **HB 443.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Turner, White. Nays 6—Conley, Hehl, Johnson, Martin, Swope, Ware.

HB 443 was passed and the title agreed to.

Senator Buckman moved that the vote by which **HB 443** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 342 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman offered Amendment #1 to **SB 342** and moved its adoption. Agreed.

Said Amendment #1 to **SB 342** is as follows:

Amend printed copy of Senate Bill 342 on page 3, line 2, by: italicizing: (2)

Amend line 8 by inserting between "(3)" and "In" the following words: Except as provided in subsection (1) of this Act.

Senator Buckman moved the Previous Question on **SB 342,** as amended. Agreed.

On roll call, the vote was yeas 28—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Nichols, Palmer, Swope, Turner, Ware, White. Nays 1—Johnson.

SB 342 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 342,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

The President vacated the Chair, the President Pro Tem presiding.

Report on Enrolled Bills

Committee on Enrollment reported **HB 152, HB 229, HB 228, HB 236, HR 43** had been examined and found correctly enrolled. **HB 152, HB 229, HB 228, HB 236, HR 43** read at length, compared, and signed in open session by the President Pro Tem. Ordered delivered to the House.

House Message

Announcing passage of **HB 88, HB 156, HB 171, HB 202, HB 219, HB 374, HB 405, HB 436, HB 457, HB 464, HB 470, HB 502, HB 503, SB 89, SB 68.**

Orders of the Day

SB 285 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garnett moved the Previous Question on **SB 285.** Agreed.

On roll call, the vote was yeas 28—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Johnson, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 285 was passed and the title agreed to.

Senator Garnett moved that the vote by which **SB 285** was passed be reconsidered and that said motion be laid on the table. Agreed.

SR 48 taken from Orders of the Day.

Senator Duffy moved the adoption of **SR 48.** Agreed.

SR 48, A JOINT RESOLUTION requesting the Legislative Research Commission to make a study and investigation of the laws of the Commonwealth pertaining to elections.

WHEREAS, it is essential for the preservation of the democratic processes in this Commonwealth that our election laws remain fair and impartial at all times; and

WHEREAS, there have been from time to time protests from the elecorate concerning abuses of this Commonwealth's election laws;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Legislative Research Commission is authorized and directed to make an investigation and study of the laws of the Commonwealth pertaining to elections.

Section 2. The study authorized and directed by this resolution shall include, but shall not necessarily be limited to:

(1) A field observation of election practices throughout the Commonwealth;

(2) A field observation of the performance of Registration and Purgation Boards throughout the Commonwealth;

(3) A field observation of Absentee Voting procedures and an examination of court records of cases charging misuse of the Absentee Ballot; and

(4) An examination of preparations and training of election officials.

Section 3. That all such state agencies as the Legislative Research Commission may require, are directed to cooperate to the fullest extent in the preparation of the study.

Section 4. That the Legislative Research Commission, after it has conducted the study, be authorized and is directed to formulate recommendations for changes, consistent with the facts ascertained by reason of this study, in the election laws of the Commonwealth, particularly in regard to the conduct of elections and in enforcement procedures.

Section 5. That the Legislative Research Commission shall include its findings and recommendations in a report to the General Assembly of the Commonwealth of Kentucky, such report to be submitted to the 1964 Regular Session.

HB 321 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator White offered Amendment #1 to **HB 321** and moved its adoption. Agreed.

Said Amendment #1 to **HB 321** is as follows:

Amend printed copy of House Bill 321, on page 2, line 15, by: deleting the figure "$2.00" and inserting in lieu thereof the figure "$5.00";

and on page 2, by deleting line 17 in its entirety; and on page 2, line 18, by deleting the figure "6-25" and inserting in lieu thereof the figure "1-25."

Senator White moved the Previous Question on **HB 321**, as amended. Agreed.

On roll call, the vote was yeas 24—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Kidwell, Kinkead, Logan, McGinty, Nichols, Palmer, Raney, Turner, Ware, White. Nays 0.

HB 321 was passed and the title agreed to.

Senator White moved that the vote by which **HB 321** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 313 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator White moved the Previous Question on **SB 313.** Agreed.

On roll call, the vote was yeas 20—Bishop, Bonn, Brand, Buckman, Conley, Duffy, Edwards, Fuqua, Garrett, Hickerson, Kidwell, Kinkead, McGinty, Martin, Nichols, Palmer, Raney, Turner, Ware, White. Nays 2—Johnson, Swope.

SB 313 was passed and the title agreed to.

Senator White moved that the vote by which **SB 313** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 287 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 287.** Agreed.

On roll call, the vote was yeas 22—Bishop, Bonn, Brand, Conley, Duffy, Fuqua, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, McCann, McGinty, Martin, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 287 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 287** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 288 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 288.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, McCann, McGinty, Miller, Nichols, Palmer, Raney, Turner, Ware, White. Nays 3—Logan, Martin, Swope.

SB 288 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 288** was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 264 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **HB 264.** Agreed.

On roll call, the vote was yeas 27—Bishop, Bonn, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, Logan, McGinty, Martin, Miller, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 264 was passed and the title agreed to.

Senator Buckman moved that the vote by which **HB 264** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 251 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Amendment #1 to **SB 251** and moved its adoption. Agreed.

Said Amendment #1 to **SB 251** is as follows:

Amend printed copy of Senate Bill 251 on page 6, line 6, by: Deleting the words "purchaser or consignee" and inserting in lieu thereof the word "retailer" and on line 21, by inserting between the word "illegal" and the word "and" the following: "except the practices described in subsection (1) (a) (b) (d) (e) (i) and (j) are illegal only where the effect is to restrain, or lessen, or injure, or destroy competition, or to create a monopoly,."

Senator Ware offered Amendment #2 to **SB 251** and moved its adoption. Agreed.

Said Amendment #2 to **SB 251** is as follows:

Amend printed copy of Senate Bill 251 on page 9, lines 6, 7 and 8, by: deleting the following words: "to be unfair, unjust, disruptive, demoralizing and/or fraudulent and found as having the effect of restraining, lessening or destroying competition; and"

and on page 9, line 9 by deleting the brackets enclosing the words "to be contrary to the Provisions of KRS 260.675 to 260.760"

and on page 9, line 23 by inserting after the word "thereof" the following: "agent or employee of the Commission."

Senator Ware moved the Previous Question on **SB 251**, as amended.

Senator Kiser moved that **SB 251** be laid on the Clerk's desk.

Senators Kiser and Logan requested a roll call on Senator Kiser's motion.

On roll call, the vote was yeas 9—Bonn, Conley, Edwards, Fuqua, Kinkead, Kiser, Logan, Raney, Turner. Nays 21—Brand, Buckman, Cobb, Duffy, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, McCann, McGinty, Miller, Nichols, Overbey, Palmer, Swope, Ware, White.

The motion to lay **SB 251** on the Clerk's Desk was defeated.

On roll call, the vote was yeas 24—Bishop, Blue, Brand, Buckman, Cobb, Conley, Duffy, Gardner, Garrett, Hehl, Hickerson, Howard, Johnson, Logan, McCann, Mann, Miller, Nichols, Overbey, Palmer, Swope, Turner, Ware, White. Nays 9—Bonn, Edwards, Fuqua, Kelly, Kidwell, Kinkead, Kiser, McGinty, Raney.

SB 251 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 251**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Kiser moved that the Senate adjourn until 1 p.m., Thursday, March 8.

Senators Kiser and Gardner requested a roll call on Senator Kiser's motion.

On roll call, the vote was yeas 12—Blue, Buckman, Conley, Hickerson, Johnson, Kelly, Kiser, Martin, Palmer, Swope, Turner, White. Nays 15—Bishop, Bonn, Brand, Duffy, Fuqua, Garrett, Howard, Kidwell, Kinkead, McCann, Miller, Nichols, Overbey, Raney, Ware.

The motion to adjourn was defeated.

SB 308 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman offered Amendment #1 to **SB 308** and moved its adoption. Agreed.

Said Amendment #1 to **SB 308** is as follows:

Amend printed copy of Senate Bill 308 on page 2, lines 19 and 20, by: inserting a new section after line 19 as follows:

Section 4. The commissioners of a water district, in order to abate possible health menaces in their area and to increase the consumption of water in the area, or whenever such commissioners deem it to be for the general benefit of the water district, shall have the authority to contract with any city, water district or sewer construction district, or other incorporated municipality or district, to provide for the operation of a water system, or a sanitary sewer system, or both, regardless of whether or not such water district operated by said Board of Commissioners has or will acquire any ownership rights in such system or systems to be so operated, upon such terms and conditions as such Board of Commissioners may deem appropriate, with or without any consideration being paid to, or received by, such water district, other than the general benefit which may accrue to the water district from having more water or sewer customers and consequent increased use of water or sewer service.

and, on line 20, by striking therefrom "Section 4" and substituting in lieu thereof "Section 5."

Senator Buckman moved the Previous Question on **SB 308**, as amended. Agreed.

On roll call, the vote was yeas 28—Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays—0.

SB 308 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 308**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported **SB 62**, **SB 68**, **SB 70**, **SB 72**, **SB 87**, **SB 89**, **SB 90**, **SB 92**, **SB 128**, **SB 156**, **SB 162**, **SB 191**, **SB 276**, **SB 290** had been examined and found correctly enrolled. **SB 62**, **SB 68**, **SB 70**, **SB 72**, **SB 87**, **SB 89**, **SB 90**, **SB 92**, **SB 128**, **SB 156**, **SB 162**, **SB 191**, **SB 276**, **SB 290** read at length, compared, and signed in open session by the President Pro Tem. Ordered delivered to the House. **SB 62**, **SB 68**, **SB 70**, **SB 72**, **SB 87**, **SB 89**, **SB 90**, **SB 92**, **SB 128**, **SB 156**, **SB 162**, **SB 191**, **SB 276**, **SB 290** delivered, signed by Speaker. Ordered delivered to the Governor.

Senator Ware moved that the Rules be suspended for the purpose of introducing a bill and resolutions.

Introduction of Bill and Resolutions

SB 365, by Senator Garrett: AN ACT relating to boating.

SR 63, by Senator Ware: A JOINT RESOLUTION relating to the Cumberland Gap National Historical Park.

SR 64, by Senator Ware: A JOINT RESOLUTION ceding to the United States jurisdiction over the area embraced by the Federal Correctional Institution at Ashland.

SR 65, by Senator Johnson: A RESOLUTION, commending Senator Herbert T. Derickson for his diligence and forthrightness in the pursuit of his duties and activities as a member of the Senate and as an outstanding citizen of the Commonwealth, and expressing regret at his recent illness.

WHEREAS, the Honorable Herbert T. Derickson, Senator from the 28th District, is held in the highest esteem and respect by his colleagues in this chamber; and

WHEREAS, the Senator from the 28th District is noted among his colleagues and fellow citizens as a gentleman of the highest calibre, who is the epitome of diligence and forthrightness in the pursuit and discharge of the duties of his office and in his activities as a citizen; and

WHEREAS, the members of this chamber deeply regret that the Senator has been afflicted with an illness that has prevented him from being in attendance during the deliberations of this chamber of recent days; and

WHEREAS, out of affection and friendship for the Senator, as well as for regard for the intrinsic merit of the measures proposed by the Senator, the Senate has favorably reported and passed the major portion of the bills in which the Senator was interested.

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Senate hereby extends its commendations to the Honorable Herbert T. Derickson and urges the Senator to effect a speedy and complete recovery to the end that his friendly presence, good character and wise counsel may be of benefit and comfort to this chamber and to the citizens of this Commonwealth.

Section 2. That the Clerk of the Senate shall transmit a copy of this Resolution to the Honorable Herbert T. Derickson at his residence in Stanton, Kentucky.

Senator Johnson moved the adoption of **SR 65**. Agreed.

Senator Ware moved that the Senate adjourn until 1:00 p.m., Thursday, March 8. Agreed.

THURSDAY, MARCH 8, 1962

FIFTY-THIRD LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers, Pastor of the First Baptist Church of Frankfort.

The roll was called. All present except Senator Derickson who was granted leave of absence on motion of Senator McCann.

Reading of Journal for March 7 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions, and Communications

Senator Overbey moved that **HB 9** be made Special Order in Orders of the Day. Agreed.

Introduction of Bills

SB 366, by Senator McCann: AN ACT relating to bounty for fox.

SB 367, by Senator Ware: AN ACT proposing an amendment of Section 246 of the Constitution of Kentucky relative to compensation of public officers and employees.

SB 368, by Senator Ware: AN ACT proposing an amendment to the Constitution of Kentucky relating to continuity of state and local governmental operations in periods of emergency resulting from disasters caused by enemy attack or the anticipated effect of a threatened enemy attack.

Recess

Senator Ware moved that the Senate recess for a period of ten minutes for the purpose of having a Rules Committee meeting. Agreed.

The President Pro Tem resumed the Chair and called the Senate to order.

Senator Ware moved that the Senate take up **SB 153** for concurrence in the House Amendment. Agreed.

Senator Ware moved the adoption of House Amendment to **SB 153.** Agreed.

House Amendment to **SB 153** is as follows:

Amend printed copy of Senate Bill 153 on page 48, by adding the following language:

ARTICLE XVI Department of Fish and Wildlife Resources

Section 1. A new section of KRS Chapter 150 is created to read as follows:

Notwithstanding the provisions of KRS 12.025, the Department of Fish and Wildlife Resources is not subject to inclusion within an agency formed by executive action of the Governor.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Miller, Nichols, Palmer, Raney, Turner, Ware. Nays 4—Gardner, Martin, Overbey, Swope.

SB 153 was passed and the title agreed to.

Senator Ware moved that the Senate take up **SB 136** for concurrence in the House Amendments. Agreed.

Senator Ware moved the adoption of House Amendments to **SB 136.** Agreed.

House Amendments to **SB 136** are as follows:

Amend printed copy of Senate Bill 136 on page 2, line 2, by:

deleting "on each sentence", and in the same line after "parole" inserting ", except as provided in Section 5 of this Act."

and on page 2, line 5, by:

deleting "the aggregate amount of time required" and inserting "eight years."

and on page 2, line 6, by:

deleting "on each sentence, to be eligible", and in the same line after "parole" inserting ", except as provided in Section 5 of this Act."

and on page 2, line 11, deleting "If the confined prisoner has" and inserting "However, the aggregate amount of time to be served for parole eligibility shall not exceed eight years."

and on page 2, delete lines 12 through 16.

and on page 3, deleting lines 2 through 8 and inserting "Act."

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 0.

SB 136 was passed and the title agreed to.

Senator Overbey moved that the Senate meet again at 8:00 p.m., after the afternoon recess. Motion lost on voice vote.

Senator Ware moved to notify the House that the Senate Committee will meet with a like committee from the House regarding **SB 117.** The Senate Committee is composed of Senators Garrett, Buckman and Ware.

Report of Committee

Rules Committee reported **HB 156, HB 219, HB 153, HB 23, HB 353, HB 484, SB 359, SB 360, SR 60, SR 62, SR 63, SR 64, HR 75, SB 363, SB 246, HB 220, HB 262, HB 507, HB 445** (with Committee Amendment), **HB 171, HB 216, HB 497, HB 278, HB 279, SB 354, HB 307** (with Committee Amendments), **HB 436, SR 61, HB 118, SB 356, SB 355, HB 318, HB 369, SB 349, SB 368, SB 367, SB 351, SB 366** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 156, AN ACT relating to local fairs.

WHEREAS, it is a recognized fact that the agricultural fair is one of the most colorful, honored, and revered institutions in the American way of life, and

WHEREAS, it is a well-proven fact that said fairs are the most important and successful mediums for promoting improvement in livestock and farm products generally for bringing about continued improvement in the rural way of life and in fostering closer association of urban and rural folk resulting in a better understanding between them, and

WHEREAS, in recognition of the vital role they portray in community life, it is the established policy of many states to grant substantial financial aid to such fairs in order to guarantee and foster their continued existence, and

WHEREAS, in Kentucky numerous fairs need added emphasis and resources to improve livestock shows and agricultural exhibits,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 247.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) *The Commissioner of Agriculture shall make grants of state funds to qualified local fairs to be used by them to pay premium awards for exhibits and displays of domestic livestock or other agricultural products. The grant of state funds made to any fair shall in no event exceed one-half of the amount of premiums paid out for livestock shows and agricultural exhibits and in no instance shall the allotment exceed fifteen hundred dollars. The premiums actually awarded shall conform to those appearing on the premium list issued by the fair.* [The State Board of Agriculture may cooperate with county and community fairs by supplementing premiums offered at such fairs for exhibits of livestock and poultry; for breeding classes for horses, including those two years old or under and for breeding

stock of any age; and for any and all classes of fruits, vegetables, seeds or other crops for which exhibits are held at such fairs, to the extent of from five hundred dollars to one thousand dollars annually, if the fair association receiving such support offers at least an equal amount in these classes. If the fair association offers a lesser amount the financial support given by the state under this section shall be reduced in proportion.]

(2) *There shall be a Fair Council in the Department of Agriculture, Labor and Statistics. The Council shall act in an advisory capacity to the Commissioner in all matters pertaining to the administration of the Department's fair program. It shall be called into session at such times as there are matters for its consideration. It shall meet at least twice each calendar year at Frankfort or at such other place that may be determined.* [Any fair association offering special prize money for 4-H Club or Smith-Hughes agricultural student projects may receive from the board an additional sum ranging from two hundred and fifty dollars to five hundred dollars, if each fair association appropriates an equal amount in these classes.]

(3) The Council shall be composed of the Commissioner as Chairman ex officio and the presidents or their designated representatives of the following state groups: Kentucky Livestock Improvement Association, Kentucky Farm Bureau Federation, Kentucky Association of Fairs and Horse Shows, Inc., the Director of Vocational Agriculture Education, and the Dean of the College of Agriculture of the University of Kentucky.

(4) To qualify for a grant of state funds, a fair shall meet standards set by the Commissioner and his advisory council whose approval may be given only if the fair:

(a) Provides in its by-laws for holding an annual fair running for at least three days;

(b) Presents, through the medium of youth organizations such as 4-H Clubs, Future Farmers of America, and other similar organizations, an educational program concerning the production and marketing of livestock and other related subjects;

(c) Complies with all other rules and regulations which the Department of Agriculture is hereby authorized to promulgate;

(d) Appoints one or more members to its fair board from County Livestock Improvement Associations and County Farm Bureaus and selects one or more county extension agents and vocational agriculture teachers for counties served by the fair as members of the board. Wherever County Livestock Improvement Associations and Farm Bureaus are in existence, appointees are to be nominated to the fair board by these organizations. Where fairs serve an area, appointments may be made from all counties within the particular area. It shall be the responsibility of the appointees to aid in establishing livestock premium lists and planning agricultural exhibits.

(5) Any fair receiving a grant of state funds shall file with the Director of Livestock Shows and Fairs in the Department of Agriculture, by December first of the year in which the grant is received, satisfactory proof that all state premium awards have been paid and a financial report by a certified public accountant.

Section 2. *There is hereby appropriated out of the General Expenditure Fund of the State Treasury to the Kentucky Department of Agriculture for the fiscal year 1963-64 a sum of fifty thousand dollars to carry out the provisions of KRS 247.220 and ten thousand dollars for each of the fiscal years 1962-63 and 1963-64 to provide personnel to help plan, promote, and service these events and administer the Department's program.*

Section 3. Section 247.230 of the Kentucky Revised Statutes is repealed.

HB 219, AN ACT relating to livestock disease control.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 257.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in this chapter, unless the context requires otherwise:

(1) "Board" means the Board of Agriculture;

(2) "Commissioner" means the Commissioner of Agriculture, Labor and Statistics;

(3) "Communicable disease" includes *hog cholera, brucellosis, leptospirosis,* anthrax, black leg, catarrhal influenza of cattle, contagious pleuro-pneumonia, foot and mouth disease or aphthous fever, glanders, hemorrhagic septicaemia, [hog cholera,] maladie du coit or dourine, mange of cattle, necrobacillosis and foot rot in sheep, hydrophobia, rinderpest, scabies in cattle, Texas tick or southern cattle fever, tuberculosis, or any other disease proclaimed by the board to be of a transmissible character;

(4) "Experiment station" means the Agricultural Experiment Station;

(5) "Owner" means any person owning or leasing from another, or having in charge any domestic animal; and

(6) "Premises" means any portion of land, or any structure erected on land, and any vehicle or vessel used in the transportation of passengers, goods or animals.

Section 2. Section 246.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) The department or its agents shall have free access within reasonable hours to any farm, orchard, garden, elevator, warehouse,

building, cellar, freight or express office or car, freight yard, vehicle, vessel, boat, container or any other place which, for probable cause, it may be necessary or desirable for the agents to enter in order to enforce a quarantine against the European corn borer (Pyrausta nubilaslis).

(2) The board or any of its members or representatives may *after reasonable notice* enter any premises for the purpose of *inspecting or testing livestock to determine the existence of, or to combat in any way, communicable diseases.* [making the necessary inspections or in any way combating communicable diseases among livestock.] *The owner of the livestock to be tested or inspected shall, after reasonable notice confine and present such livestock to the representatives of the board. Whenever the board or any of its representatives determine through inspection or testing that any livestock is infected with a communicable disease they may enter any premises after reasonable notice and remove therefrom the diseased livestock after an appraisal has been made as provided in KRS 257.110, and have such livestock destroyed or slaughtered and the owner indemnified as provided in KRS 257.120 to KRS 257.150.* When necessary the board or any of its members or representatives may call upon peace officers for assistance. Such officers shall render assistance when ordered to do so by the board or any of its members, representatives, agents or employees.

Section 3. Section 246.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall in any way hinder, refuse or defeat entrance or inspection by an agent of the department who is performing the duties of his office for the purpose of combating the European corn borer under (1) of KRS 246.210.

(2) No person shall interfere in any way with the board or any of its members or representatives in the inspection of premises and *livestock,* [animals] *or in the testing of livestock on any premises* when the object of the inspection *or testing* is *to determine the existence of or to combat in any way, communicable disease in livestock.* [the combating of livestock diseases.] *No person shall interfere in any way with the board or any of its members or representatives in the removal from any premises of livestock found to be infected with a communicable disease.*

(3) No person shall hinder the efforts of the State Entomologist or his agents in combating Japanese beetles under KRS 246.210 and 249.200.

(4) No person shall hinder the Entomologist in the performance of any of his duties as State Inspector of Apiaries.

(5) No person shall interfere in any way with inspectors

or assistants while they are discharging their duties under KRS 250.020 to 250.170.

(6) No person shall interfere with or attempt to hinder any representative of the department in the course of his duties in inspecting, grading and marketing of tobacco in green order, under KRS 248.250.

(7) No person shall hinder, prevent or attempt to prevent any person from discharging his duties under KRS 250.240 to 250.270 and 250.290 to 250.350.

(8) No person shall in any way impersonate, hinder or obstruct the department or its inspectors in the performance of their official duties under KRS 248.280 to 248.440 or 261.220.

Section 4. To establish and initiate a cholera and brucellosis control and eradication program for the Kentucky swine industry, there is hereby appropriated to the Kentucky Department of Agriculture out of the General Fund the sum of fifty thousand dollars for each of the fiscal years 1962-63 and 1963-64.

HB 153, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

The Department of Revenue may by regulation refund or waive the cigarette tax imposed by the provisions of Chapter 138 of the Kentucky Revised Statutes on any cigarettes donated to hospitals or other eleemosynary institutions for the benefit of, or for the use of, patients or inmates of such institutions. The Department shall also prescribe the method by which cigarettes donated shall be transferred to any such institutions.

HB 23, AN ACT relating to the veteran's bonus.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 40.070 of the Kentucky Revised Statutes is amended to read as follows:

[(1) No application shall be filed with or sent to the administration before the first day of June, 1960.]

(1) [(2)] No application may be filed with or sent to the administrator after *June 30, 1962* [the thirty-first day of December, 1961]; but if an application be sent by mail, the administrator shall receive it if the postmark on the envelope shows date and time of mailing at or before midnight, Central Standard Time, on or before *June 30, 1962* [the thirty-first day of December, 1961].

(2) *Notwithstanding the provisions of subsection (1) of this section, in order to prevent hardship on any eligible veteran, the Governor upon recommendation of the administrator, may by executive order, extend the time for filing application; provided, however, that such extension of time shall be no later than December 31, 1962.*

(3) Applications tendered to the administrator otherwise than as provided in (1) and (2) above shall not be eligible for consideration under this chapter and shall not be accepted. Each such application received by mail shall be returned to the sender, if a return address be given, together with notification of the reason for its return.

Section 2. Section 40.150 of the Kentucky Revised Statutes is amended to read as follows:

Section 40.150 (1) There shall be a Board of Review consisting of nine persons who are residents and qualified voters of the Commonwealth, appointed by the Governor without limitation as to political affiliation, religion, race, sex, or past or present service in the armed forces, except that six members of this board shall be veterans. The name of said board shall be "The Kentucky Veterans' Bonus Board of Review." The Governor shall designate a chairman and a secretary from among the membership.

(2) Three members and no more shall constitute a Board of Review, and shall by concurrence of two members decide any claim which comes before the board in the manner provided in this chapter. The chairman of the board shall designate three members to consider and decide each claim, having due regard for availability for service so that delay may be avoided.

[(3) (a) The chairman and secretary shall devote their full time to the affairs of the board and shall receive compensation at the rate fixed in accordance with personnel standards fixed by the Commissioner of Personnel until the functions of the board are performed and the board is dissolved as hereinafter provided.]

(3) (a) [(b) Other members] *Members* of the board shall be compensated twenty-five dollars per diem, but only for actual time served in considering and deciding claims for veterans' bonus pursuant to designation by the [chairman] *Governor.*

(b) [(c)] All members of the board shall be reimbursed for necessary travel to and from their places of residence, and in performance of duties pursuant to assignment, at the rate of eight cents per mile.

(4) Each claim coming before the board shall promptly be considered and decided by three members designated for that purpose. In every case the board shall either (a) affirm the decision of the administrator, or (b) determine that a veterans' bonus should

be paid, and to what persons and in what amounts. No written opinions or recitations of reasons for any decision need be made.

A statement of the decision made shall be signed by at least two of the three members designated to decide the claim; and upon concurrence of two members a decision shall be final and not subject to reconsideration.

[(5) When, after January 1, 1962, the Board of Review shall have decided all cases coming before it for decision, the chairman shall report such fact to the Governor in writing. The Governor shall thereupon declare that the Board of Review is dissolved, and shall so notify the members, and the functions and duties of the board shall be deemed to have been fully performed.] (1960, c. 15 §§ 15; effective February 20, 1960).

(5) The Governor shall, upon notification by the Administrator that the last notice of a disapproval claim has been mailed, notifying the chairman of the Board of Review that it shall complete its work within sixty (60) calendar days from date of notification. On the sixtieth day the Governor shall thereupon declare that the Board of Review is dissolved, and shall so notify the members, and the functions and duties of the board shall be deemed to have been fully performed.

Section 3. There is hereby appropriated out of the General Expenditure Fund for the purpose of carrying out the provisions of this Act, for allocation by the Commissioner of Finance to the Department of Military Affairs, the Department of Revenue, the Department of Finance and the State Treasurer, the sum of $65,000 for the fiscal year beginning July 1, 1961 and ending June 30, 1962. Any unexpended balance at the close of 1961-62 shall carry forward into 1962-63.

Section 4. Whereas the time for filing applications has expired, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

HB 353, AN ACT relating to the regulation of child-care centers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In enacting legislation relating to the regulation of day-care centers, it is the intention of the General Assembly to enable the Department of Child Welfare to qualify to receive Federal funds under provisions of the Federal Social Security Act and to provide for effective regulation of day-care centers.

Section 2. As used in this Act, unless the context otherwise requires:

(1) "Department" means the Department of Child Welfare;

(2) "Commissioner" means Commissioner of Child Welfare;

(3) "Day-care center" means any child-care facility, other than those set out in Section 5 of this Act, which provides full or part-time care, day or night, to at least four children not related to the operator of the child-care facility by blood, marriage, or adoption. Day-care center shall not include any child-care facility operated by a religious organization while religious services are being conducted.

Section 3. (1) No person, association, or organization shall conduct, operate, or maintain any day-care center without obtaining a license as provided in this Act.

(2) The Commissioner may adopt regulations relating to license fees and may establish standards of care and service for the day-care center.

(3) If the day-care center does not meet the standards prescribed for licensing by the Commissioner, a provisional license may be issued and remain in effect for a period prescribed by the Commissioner.

(4) Each initial application for a license shall be made to the department and shall be accompanied by a fee of not more than thirty-five dollars and shall, excepting provisional licenses, be renewable upon expiration and reapplication when accompanied by a fee of not more than ten dollars. Regular licenses, and renewals, thereof shall expire one year from their effective date.

(5) No day-care center shall be refused a license or have its license revoked for failure to meet standards set by the Commissioner until after the expiration of a period not to exceed twelve months from the date of the first official notice that the standards have not been met.

(6) All fees collected under the provisions of this Act shall be paid into the State Treasury and credited to a special fund for the purpose of administering this Act, including the payment of expenses of and to the participants in child-care workshops. Such funds collected are hereby appropriated for the use of the department.

Section 4. (1) Any person who violates any of the provisions of Section 3 of this Act shall be fined not less than twenty dollars nor more than two-hundred dollars, or imprisoned for not more than thirty days, or both.

Section 5. Section 158.300 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Center" means any child-care center, [private day nursery,] nursery school, [boarding school,] *or* kindergarten [or other like establishment which cares] *organized for the purpose of providing educational experience* for not less than five children between the

ages of 3 [2] and 6 years, in return for tuition, fees, or other forms of compensation; provided that "center" shall not include any school or college now operating a center authorized by law, any children's home, orphan asylum, children's aid society, public agency operated by a city or county, school district operating a center, or any other organization incorporated and regulated under the laws of the State;

(2) "Superintendent" means Superintendent of Public Instruction;

(3) "Age" means the age attained at a child's last birthday;

(4) "Day" means any twenty-four-hour period from twelve o'clock midnight through eleven fifty-nine p. m.;

(5) "Permit" includes both a "regular" and "provisional" permit. "Regular" permits are those issued by the superintendent upon satisfactory proof of compliance with the provisions of KRS 158.300 to 158.350. "Provisional" permits are those issued by the superintendent, within the discretion of the superintendent, for the purpose of enabling centers to comply with the provisions of KRS 158.300 to 158.350; no such permits shall be issued for a period exceeding three years' time from the date of issuance, and shall be subject to such rules and regulations providing for inspection, compliance, suspension, or cancellation thereof as the superintendent may prescribe as a condition to the issuance thereof.

HB 484, AN ACT relating to the Council on Public Higher Education in Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 164.010 of the Kentucky Revised Statutes is amended to read as follows:

There shall be a Council on Public Higher Education in Kentucky, to be composed of the president or chief executive officer of the University of Kentucky, Eastern Kentucky State College, Western Kentucky State College, Murray State College, Morehead State College and Kentucky State College; a member, other than the Superintendent of Public Instruction, of the board of regents of each of the state colleges to be selected by the board of regents of each state college; three appointive members of the board of trustees of the University of Kentucky to be selected by the board of trustees of the University; two lay members of the State Board of Education to be selected by the State Board of Education; the dean of the College of Education of the University of Kentucky; [and] the Superintendent of Public Instruction, who shall be chairman of the council; *and three additional lay members from the state-at-large to be appointed by the Governor for regular terms of four years. The initial appointment of these three lay members shall be for terms of two, three and four years* *respectively.* When the council meets to consider curricula for teacher training, three persons who are from accredited institutions of higher learning, who are not members of the council, and who have been appointed by the Executive Committee of the Association of Kentucky Colleges and Universities, shall be invited to meet with the council in an advisory capacity. *Unexcused absences from two consecutive meetings of the council shall be cause for disqualification of council members.*

Section 2. Section 164.060 of the Kentucky Revised Statutes is amended to read as follows:

The council shall meet at least *four times* [twice] each year at such times as it determines by resolution. Special meetings may be called by the chairman. Upon request of three institutions represented on the council, the chairman shall call a special meeting.

and add a section to read as follows:

Section 3. *Appropriate Twenty-Nine Thousand Dollars for the 1962-63 fiscal year and Forty-Five Thousand Dollars for the 1963-64 fiscal year to the Council on Public Higher Education for the purpose of expanding the research and coordination staff, activities and services of the Council.*

SB 359, AN ACT relating to criminal procedure.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) Any person who has been convicted of a felony and who is serving a prison sentence in this state and against whom is pending, in a court of this Commonwealth, any other warrant or indictment may make, in the court in which the charge is pending, a written motion containing a notice of the place of his imprisonment and his desire to be brought to trial on such charge.

(2) The prosecuting attorney of the court in which the charge is pending shall bring the issue to trial within one hundred and twenty days of the filing of the motion, or if the charge is pending in the circuit court, then at the next regular term, unless a continuance is granted, in which case the one hundred and twenty day period begins to run from the date to which the continuance is granted, but in no case more than two hundred and forty days from the date of the filing of the motion.

(3) In the event the charge is not brought to trial within the period provided in Subsection (2), such charge shall be dismissed by the court.

SB 360, AN ACT relating to group life insurance for state employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Kentucky Revised Statutes is created to read as follows:

Section 1. The Commissioner of Finance, upon the recommendation of the Commissioner of Personnel, may procure from one or more life insurance companies, authorized to do business in this State, a policy or policies of group life insurance insuring the lives of all or any class or classes of state employes. The policy or policies shall be approved by the Commissioner of Insurance and may contain such provisions as he approves whether or not otherwise permitted by the insurance laws. The term "State employee", for purposes of this Act, shall mean a person who is regularly employed by any department, board, agency, or branch of state government, and who is also a contributing member of any one of the retirement systems administered by the state.

Section 2. The premiums may be paid by the policyholder (a) wholly from funds contributed by the insured employee, by payroll deduction or otherwise, (b) wholly from funds contributed by the state or department or agency, or (c) partly from each. No payment of premium by the state or department, board or agency shall constitute compensation to an insured employee for the purposes of any statute fixing or limiting the compensation of such an employee; any premium or other expense incurred by the state or department, board or agency shall be considered a proper cost of administration.

Section 3. The policy or policies may also provide accidental death and dismemberment insurance and may contain such provisions with respect to the class or classes of employes covered, amounts of insurance for designated classes or groups of employes, terms of eligibility, continuation of insurance after retirement, and such other provisions as the Commissioner of Insurance may approve.

Section 4. The Commissioner of Finance is authorized to perform all acts necessary or advisable for the purpose of contracting for and maintaining insurance under the provisions hereof.

SR 60, A JOINT RESOLUTION appropriating funds to the Division of Civil Air Patrol.

WHEREAS, the Kentucky Wing of the Civil Air Patrol is designated by KRS 183.820 as a division of the Department of Aeronautics; and

WHEREAS, said division is directed by KRS 183.830 to perform emergency disaster work within the Commonwealth in all instances in which its services might be of assistance in relieving the disaster; and

WHEREAS, on the basis of its past performance the division can be expected to render invaluable assistance in the next biennium;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

That there is appropriated to the Division of Civil Air Patrol the sum of $10,000 for each of the fiscal years 1962-63 and 1963-64, to be expended subject to the provisions of KRS 183.850.

SR 62, A JOINT RESOLUTION directing the State Treasurer to pay forthwith to Senator Tom Raney the compensation and allowances due him, and appropriating funds for legal expenses in the event that litigation becomes necessary.

WHEREAS, under Section 38 of the Constitution of Kentucky each house of the General Assembly is constituted the judge of the qualifications of its members; and

WHEREAS, the State Treasurer under color of holding doubt as to the qualifications of Senator Tom Raney refused and has continued to refuse to pay to Senator Raney the compensation and allowances due him; and

WHEREAS, the Senate, in Senate Resolution 35, officially recognized Senator Tom Raney as the legally qualified Senator from the Thirty-First District; and

WHEREAS, under the Constitution and laws of the Commonwealth the State Treasurer is thus obligated to pay to Senator Raney the compensation and allowances due him;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

1. That the State Treasurer is directed to pay forthwith to Senator Tom Raney the compensation and allowances due him.
2. That if the directive of paragraph 1 is not followed, then there is appropriated such an amount as is necessary to cover the reasonable expenses, including costs and attorney's fees, of Senator Tom Raney in enforcing his claim through the courts, not to exceed the sum of $1,000.

SR 63, A JOINT RESOLUTION relating to the Cumberland Gap National Historical Park.

WHEREAS, the Cumberland Gap National Historical Park perpetuates a scenic and historic area of the Commonwealth; and

WHEREAS, the State Parks Board was created to further the establishment of National Parks within the Commonwealth; and

WHEREAS, the Congress of the United States has authorized the expansion of the Cumberland Gap National Historical Park boundaries; and

WHEREAS, the Congress, by enactment of public law 87-11, authorized an appropriation of $30,000 to achieve the expansion of the park,

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. The State Parks Board is authorized to participate jointly with the United States Department of the Interior in the cost of acquiring additional land in Bell County for incorporation into the Cumberland Gap National Historical Park, as authorized by public law 87-11.

Section 2. For the purpose of carrying out the provisions of this Resolution there is hereby appropriated out of the General Fund, for the State Parks Board, an amount not to exceed $30,000 for fiscal year 1962-63.

SR 64, A JOINT RESOLUTION ceding to the United States jurisdiction over the area embraced by the Federal Correctional Institution at Ashland.

WHEREAS, the United States has acquired further lands for its correctional institution at Ashland; and

WHEREAS, it is desirable that the United States have jurisdiction over these lands; and

WHEREAS, Kentucky desires to cooperate with the United States government in all ways;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

That Kentucky cedes to the United States jurisdiction over the area embraced by the Federal Correctional Institution at Ashland.

HR 75, A JOINT RESOLUTION providing for the payment of hospital and medical expenses incurred by Lawrence Lankford as a result of injuries received while attending the pre-Legislative Conference at Kentucky Dam Village.

WHEREAS, Lawrence Lankford is a member of the House of Representatives of the General Assembly of the Commonwealth of Kentucky; and

WHEREAS, while the said Lankford was performing the duties of his office by attending the pre-Legislative Conference at Kentucky

Dam Village he received injuries which resulted in hospital and doctor bills which, less the amount paid by an insurance company, amounts to the sum of two hundred ninety-two dollars and eighty-seven cents;

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the sum of two hundred ninety-two dollars and eighty-seven cents be allowed and paid to Lawrence Lankford to reimburse him for that amount which he spent as a result of an injury received while performing the duties of his office, such sum being allowed and paid as a contingent expense of the House of Representatives.

Section 2. That upon presentation of receipts showing the above amount to have been paid or that said amount is due and payable, the Clerk of the House of Representatives shall certify said amount to the Commissioner of Finance, and upon such certification said commissioner shall draw his warrant upon the Treasurer of the State in the sum of two hundred ninety-two dollars and eighty-seven cents in favor of Lawrence Lankford.

SB 363, AN ACT relating to the licensing of bingo.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

This Act shall be known as and may be cited as the "Bingo Licensing Act."

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

As used in this Act:

"Commissioner" shall mean the Commissioner of Public Safety;

"Organization" shall mean any organization licensed to hold, operate or conduct games under this Bingo Licensing Act;

"Person" shall mean not only a natural person but also any partnership, joint venture, association, corporation or any other legal entity;

"Premises" shall mean any land, building, enclosure or part thereof used for the purpose of operating or conducting games under the Bingo Licensing Act;

"Rentor" shall mean and include the owner, lessor and supplier of premises furnished or supplied to, or used by, an organization for the purpose of holding, operating or conducting games under this Bingo Licensing Act;

"Rental" shall mean the amount paid or payable by an organization to a rentor for the use of premises including janitorial services, tables and chairs rented, furnished or supplied to said organization for the purpose of holding, operating or conducting games under this Bingo Licensing Act;

"City" shall mean any incorporated city in a county having a population of seventy-five thousand persons or more.

Section 3. A new section of the Kentucky Revised Statutes is created to read as follows:

It shall be the duty of the Commissioner of Public Safety to supervise the administration of the Bingo Licensing Act and to adopt, amend and repeal rules and regulations governing the issuance and amendment of licenses thereunder the holding, operating and conducting of bingo games under such licenses which shall have the force of law and shall be binding upon all cities issuing licenses under this Act and upon all licensees thereunder to the end that such licenses shall be issued to qualified licensees only and that said bingo games shall be fairly and properly conducted for the purposes and in the manner in which this Act prescribes and to prevent the bingo games authorized to be conducted by this Act from being conducted for commercial purposes instead of for the purposes authorized in this Act, and in order to provide uniformity in the administration of this Act throughout the state, the commissioner shall prescribe forms of applications for licenses, licenses, amendment of licenses, reports of the conduct of games and other matters incident to the administration of this Act.

Section 4. A new section of the Kentucky Revised Statutes is created to read as follows:

A copy of every rule and regulation adopted and promulgated by the Commissioner of Public Safety shall be filed in the office of the Legislative Research Commission, pursuant to Chapter 13 of the Kentucky Revised Statutes, before it shall become effective and copies thereof shall be made available to the various cities operating under this Act.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

The commissioner shall conduct investigations of the administration of this Act in such of the cities of this state as he shall deem desirable which shall serve to furnish a cross section of all of the cities operating under this Act in this state and shall receive and investigate complaints as to violations and evasions of this Act in any city or cities.

Section 6. A new section of the Kentucky Revised Statutes is created to read as follows:

The commissioner shall have power to suspend and revoke licenses, after hearing, for violation of this Act under which the license is issued or for violation of any provision of the rules and regulations adopted and promulgated by the commissioner pursuant hereto.

Section 7. A new section of the Kentucky Revised Statutes is created to read as follows:

The commissioner shall have power to institute prosecutions, in a court of competent jurisdiction, for the punishment of violations of this Act.

Section 8. A new section of the Kentucky Revised Statutes is created to read as follows:

The commissioner shall hear appeals from the determinations and action of the city governing bodies in connection with the refusal to issue licenses and the suspension and revocation of licenses in the manner prescribed in this Act and the action and determination of the commissioner upon any such appeal shall be binding upon the city governing body and all parties to the appeal.

Section 9. A new section of the Kentucky Revised Statues is created to read as follows:

It shall be the duty of the commissioner to carry on continuous study and investigation of the operation of the Bingo Licensing Act, and the administration thereof by the several cities of the state, throughout the state, for the purpose of ascertaining from time to time any defects in the Act, which may be discovered, by reason whereof any abuses in the administration thereof and any evasions of the terms thereof may arise or be practiced, and for the purpose of formulating and recommending improvements and changes in this Act and in any other laws of the state, which the commissioner may determine to be desirable to prevent such abuses and evasions and to guard against the use of said laws as a cloak for the carrying on of organized gambling and crime, and to insure that said laws shall be in such form and be so administered as to serve the true purposes for which they were enacted, namely the operation and conduct of the games therein described for educational, charitable, patriotic, or religious uses only.

Section 10. A new section of the Kentucky Revised Statues is created to read as follows:

The commissioner shall make a continuous study and investigation also of the operation and administration of similar laws which may be in effect in other states of the United States, and of any literature on the subject which from time to time may be published or be available.

Section 11. A new section of the Kentucky Revised Statutes is created to read as follows:

The commissioner may hold investigations and hearings and shall have power to compel the attendance of witnesses, the production of books and documents relating to transactions connected with the holding and conducting of bingo games under this Act, and transactions, relating thereto, by the issuance of subpoena signed by the commissioner, which may be served by any competent officer.

Section 12. A new section of the Kentucky Revised Statutes is created to read as follows:

No person shall be excused from testifying or producing any book or document in any investigation or hearing, when ordered so to do by the commissioner holding the same, upon the ground that testimony or documentary evidence required of him may tend to incriminate or subject him to penalty or forfeiture, but no person shall be prosecuted, punished, or subjected to any penalty or forfeiture on account of any matter or thing concerning which he shall, under oath, have testified to or in support of which he has produced documentary evidence, except that he shall not be exempt from prosecution or punishment for any perjury committed by him in his testimony.

Section 13. A new section of the Kentucky Revised Statutes is created to read as follows:

If a person subpoenaed to attend in any such investigation or hearing fails to obey the command of the subpoena without reasonable cause, or if a person in attendance in any such investigation or hearing refuses, without lawful cause, to be examined or to answer a legal or pertinent question or to exhibit any book, account, record or other document when ordered so to do by the commissioner holding such investigation or hearing, the commissioner may apply to any judge of the circuit court, upon proof by affidavit of the facts, for an order returnable in not less than two or more than ten days directing such person to show cause before the judge why he should not comply with such subpoena or such order.

Section 14. A new section of the Kentucky Revised Statutes is created to read as follows:

Upon return of the order, the judge before whom the matter shall come on for hearing shall examine such person under oath, and if the judge shall determine, after giving such person an opportunity to be heard, that he refused without legal excuse to comply with such subpoena or such order of the commissioner holding such investigation, the judge may order such person to comply therewith forthwith and any failure to obey the order of the judge may be punished as a contempt of the circuit court.

Section 15. A new section of the Kentucky Revised Statutes is created to read as follows:

A witness shall be privileged from arrest, in all civil actions and no other, during necessary attendance before the commissioner, at any place required by subpoena previously duly served, and during his going to and returning therefrom.

Section 16. A new section of the Kentucky Revised Statutes is created to read as follows:

The commissioner is authorized to incur such necessary expenses, and engage clerical and stenographic assistants and investigators, as he may deem necessary to the proper performance of the purpose of this Act.

Section 17. A new section of the Kentucky Revised Statutes is created to read as follows:

Each city, in which the bingo licensing Act shall be adopted, shall file with the commissioner a copy of each ordinance enacted pursuant thereto within ten days after the same is adopted, and on or before February 1 of each year, and at any other time or times which the commissioner may determine, shall report to the commissioner of the number of licenses issued therein under this Act, the names and addresses of the licensees, the aggregate amount of license fees collected, the names and addresses of all persons detected of violation of this Act or of the rules and regulations adopted by the commissioner pursuant hereto, and of all persons prosecuted for such violations and the result of each such prosecution, and the penalties imposed therein, during the preceding calendar year, or the period for which the report is required, which report may contain any recomendations for improvement of this Act or the administration thereof, which the governing body of the city shall deem to be desirable.

Section 18. A new section of the Kentucky Revised Statutes is created to read as follows:

The commissioner shall report to the governor annually with his recommendations, if any, and if in the meantime he shall discover any matters which shall require change in this Act of this state, in order to prevent abuses and evasions thereof or rectify undesirable conditions in connection with the administration thereof.

Section 19. A new section of the Kentucky Revised Statutes is created to read as follows:

It shall be lawful for the governing body of any city in a county having a population of seventy-five thousand persons or more, at any time after this Act shall become operative within such city and except when prohibited by this Act, to license bona fide organizations or associations of veterans of any war in which the United States has been engaged, churches or religious congregations and religious organizations, charitable, educational and fraternal organizations, civic and service clubs, and volunteer fire departments, to hold and operate games, restricted to, the specific kind of game commonly known as bingo or lotto played for prizes with cards bearing numbers or other designations, 5 or more in 1 line, the holder covering numbers, as objects, similarly numbered, are drawn from a receptacle and the game being won by the person or persons who first cover a previously designated arrangement of numbers on such a card, by selling cards or tickets or rights to participate in such games and by conducting the games accordingly, when the entire net proceeds of such bingo games are to be devoted to educational, charitable, patriotic, or religious uses, and for any such organization, association, church, congregation, society, club, or fire department, when so licensed, to hold, operate and conduct such games by its active members pursuant to this Act and such license, and under such conditions and regulations for the supervision and conduct thereof as shall be prescribed by rules and regulations duly adopted from time to time by the Commissioner of the Department of Public Safety not inconsistent with the provisions of this Act, but only when the entire net proceeds thereof are devoted to the uses aforesaid and for any person or persons to participate in and play such bingo games conducted under any such license.

Section 20. A new section of the Kentucky Revised Statutes is created to read as follows:

Each applicant for such a license shall file with the clerk of the city a written application therefore in the form prescribed in rules and regulations, promulgated by the commissioner duly executed and verified, in which shall be stated the name and address of the applicant together with sufficient facts relating to its incorporation and organization to enable the governing body of the city to determine whether or not it is a bona fide organization or association of veterans of any war in which the United States has been engaged or a church or a religious congregation or religious organization or a charitable, education or fraternal organization, or a civic or service club, or a volunteer fire department; the names and addresses of its officers; the specific kind of games intended to be held, operated and conducted by the applicant, and the place or places where, the date or dates and the time or times when, such games are intended to be held, operated and conducted, by the applicant, under the license applied for; the items of expense intended to be incurred or paid in connection with the holding, operating and conducting of such games and the names and adresses of the persons to whom, and the purposes for which, they are to be paid; the specific purposes to which the entire net proceeds of such games are to be devoted and in what manner; that no commission, salary, compensation, reward or recompense will be paid to any person for holding, operating or conducting such game or games or for assisting therein except as otherwise provided in this Act and that no prize or aggregate of prizes will be offered and given under said license of a value in excess of the sum or value authorized to be offered and given by this Act and a description of all prizes to be offered and given in all such games to be held, operated and conducted under such license and such other information as shall be prescribed by such rules and regulations.

In each application there shall be designated an active member or members of the applicant organization under whom the game or games described in the application are to be held, operated and conducted and to the application shall be appended a statement executed by the applicant and by the member or members so designated, that he or they will be responsible for the holding, operation and conduct of such games in accordance with the terms of the license and the provisions of the rules and regulations governing the holding, operation and conduct of such games and of this Act, if such license is granted.

In the event that any premises, upon which any such game is to be held, operated or conducted or which is to be used for any other purpose in connection with the holding, operating or conducting thereof, is to be leased from any person, persons or corporation, a written statement shall accompany the application signed and verified under oath by such person or persons or executed and verified under oath on behalf of such corporation, stating his or its address and the amount of rent which will be paid said premises and that such lessor or lessors, or if a corporation all of its officers and each of its stockholders who hold ten per cent or more of its stock issued and outstanding, are of good moral character and have not been convicted of crime.

Section 21. A new section of the Kentucky Revised Statutes is created to read as follows:

The governing body of the city shall make an investigation of the qualifications of each applicant and the merits of each application, with due expedition after the filing of the application, and if it shall determine that the applicant is duly qualified to be licensed under this Act to hold, operate and conduct games under the provisions of this Act and the rules and regulations governing the holding, operation and conduct thereof in the city; that the member or members of the applicant designated in the application to hold, operate or conduct the games, to hold, operate and conduct which the license is applied for, are bona fide active members of the applicant and are persons of good moral character and have never been convicted of crime; that such games are to be held, operated and conducted in accordance with the provisions of this Act and in accordance with the rules and regulations governing the holding, operation and conduct thereof and that the proceeds thereof are to be disposed of as provided by this

Act, and if the governing body is satisfied that no commission, salary, compensation, reward or recompense whatever will be paid or given to any person holding, operating or conducting or assisting in the holding, operation or conduct of such game except as in this Act otherwise provided; and that no prize will be offered and given in excess of the sum or value of two hundred and fifty dollars in any single game, and that the aggregate of all prizes offered and given in all of such games, held, operated and conducted on a single occasion, under said license shall not exceed the sum or value of one thousand dollars, it shall issue a license to the applicant for the holding, operating and conduct of the specific kind of games applied for, accordingly, upon payment of a license fee or fees not to exceed five dollars for each occasion upon which any game or games are to be conducted under such license.

No license for the holding, operation and conduct of any game or games shall be issued under this Act which shall be effective for a period of more than one year.

Section 22. A new section of the Kentucky Revised Statutes is created to read as follows:

No application for the issuance of a license shall be refused by the governing body of a city until after a hearing is held on due notice to the applicant, at which the applicant shall be entitled to be heard upon the qualifications of the applicant and the merits of the application.

Any license issued under this Act may be amended, upon application made to the governing body of the city which issued it, if the subject matter of the proposed amendment could lawfully and properly have been included in the original license and upon payment of such additional license fee, if any, as would have been payable, if it had been so included.

Section 23. A new section of the Kentucky Revised Statutes is created to read as follows:

Each license shall be in such form as shall be prescribed in the rules and regulations promulgated by the commissioner and shall contain a description of the kind of games authorized to be held, operated and conducted thereunder, a statement of the name and address of the licensee, of the names and addresses of the member or members of the licensee under whom such games will be held, operated and conducted, of the number of times, or the hours during which, such games are authorized to be conducted and the place or places where and the date or dates and time or times when, such games are to be conducted and of the specific purposes to which the entire net proceeds of such games are to be devoted; if any prize or prizes are to be offered and given in cash, a statement of the amounts of the prizes authorized so to be offered and given; and any other information which may be required by said rules and regulations to be contained therein, and each license issued for the conduct of any game or games shall be conspicuously displayed at the place where the same is to be conducted at all times during the conduct thereof.

Section 24. A new section of the Kentucky Revised Statutes is created to read as follows:

The governing body of any city issuing any license under this Act shall have and exercise control and supervision over all games held, operated or conducted under such license, to the end that the same are fairly held, operated and conducted in accordance with the provisions of such license, the rules and regulations promulgated by the commissioner and the provisions of this Act governing the holding, operation and conduct of the same and such governing body and the commissioner shall have power and authority to suspend any license issued by such governing body and to revoke the same, after hearing, for any violation of any such provision, and shall have the right of entry, by their respective officers and agents at all times into any premises where any such game is being held, operated and conducted or where it is intended that any such game shall be held, operated and conducted, or where any equipment being used or intended to be used in the conduct thereof is found, for the purpose of inspecting the same.

Section 25. A new section of the Kentucky Revised Statutes is created to read as follows:

No bingo games shall be conducted under any license issued under this Act on the first day of the week, commonly known and designated as Sunday, unless it shall be otherwise provided in the license issued for the holding, operating and conducting thereof, pursuant to the provisions of an ordinance duly adopted by the governing body of the city issuing the license, authorizing the conduct of such games under this Act on said day.

Section 26. A new section of the Kentucky Revised Statutes is created to read as follows:

No person under the age of eighteen years shall be permitted to participate in any game or games held, operated or conducted pursuant to any license issued under this Act.

Section 27. A new section of the Kentucky Revised Statutes is created to read as follows:

No game or games shall be held, operated or conducted under any license issued under this Act oftener than on six days in any one calendar month.

Section 28. A new section of the Kentucky Revised Statutes is created to read as follows:

No person shall hold, operate or conduct any game or games under any license issued under this Act except an active member of the organization, association, church, congregation, society, club, or fire department, to which the license is issued, and no person shall assist in the holding, operating or conducting of any game or games under such license except such an active member or a member of an organization or association which is an auxiliary to the licensee or a member of an organization or association of which such licensee is an auxiliary or a member of an organization or association which is affiliated with the licensee by being, with it, auxiliary to another organization or association and except bookkeepers or accountants as hereinafter provided, and no such game shall be conducted with any equipment except such as shall be owned absolutely or used without payment of any compensation therefor by the licensee, and no item of expense shall be incurred or paid in connection with the holding, operating or conducting of any game held, operated or conducted pursuant to any license issued under this Act, except such as are bona fide items of reasonable amount for goods, wares and merchandise furnished or services rendered, which are reasonably necessary to be purchased or furnished for the holding, operating or conducting thereof, under any circumstances whatever; no rental shall be paid for the use of any premises for holding, operating or conducting any such game thereon or for any other purpose in connection with the holding, operating or conducting thereof unless the amount of such rental is stated in a statement annexed to the application for the license as provided in section 20 of this Act or which is in excess of the sum stated as the rental to be charged therefor in such a statement; and no commission, salary, compensation, reward or recompense whatever shall be paid or given, directly or indirectly, to any person holding, operating or conducting, or assisting in the holding, operation or conduct of, any game so held, operated or conducted, except that reasonable compensation may be paid to bookkeepers or accountants for bookkeeping or accounting services rendered according to a schedule of compensation prescribed by order of the commissioner.

Section 29. A new section of the Kentucky Revised Statutes is created to read as follows:

No more than one dollar and a half shall be charged by any licensee for admission to any room or place in which any game or games are to be held, operated and conducted under any license issued under this Act, which admission fee, upon payment thereof, shall entitle the person paying the same to a card entitling him to participate without additional charge in all regular games to be played under such license on such occasion, and no charge in excess of one dollar and a half shall be made for a single opportunity to participate in all special games to be played under such license on such occasion. No prize greater in amount or value than two hundred and fifty dollars shall be offered or given in any single game conducted under any such license and the aggregate amount or value of all prizes offered and given in all games played on a single occasion shall not exceed one thousand dollars, and all winners shall be determined and all prizes shall be awarded in any game played on any occasion within the same calendar day as that upon which the game is played.

Section 30. A new section of the Kentucky Revised Statutes is created to read as follows:

No game to be conducted under any license issued under this Act shall be advertised as to its location, the time when it is to be or has been played, or the prizes awarded or to be awarded, by means of newspapers, radio, television or sound truck, or by means of billboards, posters or handbills or any other means addressed to the general public, except that one sign not exceeding sixty square feet in area may be displayed on or adjacent to the premises where the game will be played and an additional similar sign may be displayed on or adjacent to the premises where the prize or prizes are displayed and additional signs may be displayed upon any fire fighting equipment belonging to any licensee, which is a volunteer fire department, in and throughout the community or communities served by such volunteer fire department.

Section 31. A new section of the Kentucky Revised Statutes is created to read as follows:

Within thirty days after the conclusion of the holding, operating and conducting of any such game the organization, association, church, congregation, society, club or fire department, which held, operated or conducted the same, and its members who were in charge thereof, shall furnish to the clerk of the city a duly verified statement showing the amount of the gross receipts derived from each game which shall include receipts from the sale of cards, tickets or rights in any manner connected with participation in said game or the right to participate therein, each item of expenses incurred, or paid, and each item of expenditure made or to be made, name and address of each person to whom each such item has been, or is to be paid, with a detailed description of the merchandise purchased or the services rendered therefor, the net profit derived from each such game and the uses to which such net profit has been or is to be applied and a list of prizes offered and given, with the respective values thereof and it shall be the duty of each licensee to maintain and keep such books and records as may be necessary to substantiate the particulars of each such report.

Section 32. A new section of the Kentucky Revised Statutes is created to read as follows:

The governing body of the city and the commissioner shall have power to examine or cause to be examined the books and records of any organization or association, church, congregation, society, or fire department to which any such license is issued so far as they may relate to any transactions connected with the holding, operating and conducting of any game thereunder and to examine any manager, officer, director, agent, member or employee thereof under oath in relation to the conduct of any such game under any such license but any information so received shall not be disclosed except so far as may be necessary for the purpose of carrying out the provisions of this Act.

Section 33. A new section of the Kentucky Revised Statutes is created to read as follows:

Any applicant for, or holder of, any license issued or to be issued under this Act aggrieved by any action of the governing body of the city to which such application has been made or by which such license has been issued, may appeal to the commissioner from the determination of said governing body by filing with the governing body a written notice of appeal within 30 days after the determination or action appealed from, and upon the hearing of such appeal the evidence, if any, taken before the governing body and any additional evidence may be produced and shall be considered in arriving at a determination of the matters in issue, and the action of the Commissioner upon said appeal shall be binding upon said governing body and all parties to said appeal.

Section 34. A new section of the Kentucky Revised Statutes is created to read as follows:

No person or corporation

(1) lawfully conducting, or participating in the conduct of,

(2) possessing, selling or in any manner disposing of, any cards, tickets or rights to participate in, or

(3) permitting the conduct upon any premises owned by him or it, of, any game conducted or to be conducted under any license lawfully issued pursuant to this Act, shall be liable to prosecution or conviction for violation of any provision of Chapter 436 of the Kentucky Revised Statutes, but this immunity shall not extend to any person or corporation knowingly conducting or participating in the conduct of any game under any license or otherwise, or possessing, selling or disposing of cards, tickets or rights to participate in, or permitting the conduct upon any premises owned by him or it of, any game conducted under any license known to him or it to have been obtained by any such false pretense or statement.

Section 35. A new section of the Kentucky Revised Statutes is created to read as follows:

The provisions of this Act shall remain inoperative in any city of a county having a population of seventy-five thousand persons or more unless and until the same shall be adopted by the legal voters of the city as herein provided.

Section 36. A new section of the Kentucky Revised Statutes is created to read as follows:

The question of the adoption of the provisions of this Act in the form set forth in Section 38 of this Act shall be submitted to the legal voters of a city, if there shall be filed with the clerk of the county not less than forty-five days prior to a general election a petition calling for the submission of the question signed by at least fifteen per cent of the qualified legal voters of the city as evidenced by the total number of votes cast at the then next preceding general election in such city in such manner that every registered voter may vote at such election upon said question for or against such question.

Section 37. A new section of the Kentucky Revised Statutes is created to read as follows:

In event that in any city a majority of all the votes cast both for and against the question shall be cast against the question at any election at which said question is submitted, said question may again be submitted to the legal voters of the city at a general election held not earlier than the date upon which the second general election, following the date of the election at which the question was submitted, is to be held, if there shall be filed with the clerk of the county not less than forty-five days prior to such general election a petition requesting the submission of the same signed by at least fifteen per cent of the legal voters of the city as evidenced by the total number of votes cast at the then next preceeding general election held therein.

Section 38. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Said question to be voted upon shall be stated on the ballot without emblems and two spaces shall be left upon the right side of the ballot, one for votes favoring the proposition, to be designated by the word "Yes" and one for votes opposing it, to be designated by the word "No." The voter shall designate his vote by a cross mark placed opposite the word "Yes" or the word "No." In said election the form of the proposition shall be, "Are you in favor of adopting the 'Bingo Licensing Act', Chapter ______ of the Kentucky Revised Statutes, in the City of (name of city)?" (2) The general election laws, including penalties for violations, shall apply to the election, except where these laws are inconsistent with this Act.

(3) The cost of the election shall be borne by the city.

Section 39. A new section of the Kentucky Revised Statutes is created to read as follows:

If at any election at which such question is submitted as provided in this Act the majority of all the votes cast, both for and against such question, shall be cast in favor of the question, the provisions of this Act shall become operative in such city but if a majority of all such votes shall be cast against the question, the provisions of this

Act shall not become operative in such city unless the same shall be again submitted and this Act shall be adopted as provided in this Act.

Section 40. A new section of the Kentucky Revised Statutes is created to read as follows:

If in any city in which the provisions of this Act shall have become operative in the manner hereinbefore provided there shall be filed with the clerk of the county a petition signed by at least fifteen per cent of the qualified legal voters of the city, as evidenced by the total number of votes cast at the then next preceding general election in such city, requesting that there shall be submitted to the voters of the city the question of rescinding the adoption of the provisions of this Act by the city, the said question shall be submitted to the legal voters of the city at the next general election succeeding the forty-fourth day following the date of the filing of said petition.

Section 41. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Said question to be voted upon shall be stated on the ballot without emblems and two spaces shall be left on the right side of the ballot, one for votes favoring the proposition, to be designated by the word "Yes" and one for votes opposing it, to be designated bv the word "No." The voter shall designate his vote by a cross mark placed opposite the word "Yes" or the word "No." In said election the form of the proposition shall be, "Are you in favor of rescinding the 'Bingo Licensing Act', Chapter ______ of the Kentucky Revised Statutes in the city of (name of city)?"

(2) The general election laws, including penalties for violations, shall apply to the election, except where these laws are inconsistent with this chapter.

(3) The cost of the election shall be borne by the city.

Section 42. A new section of the Kentucky Revised Statutes is created to read as follows:

If at such election a majority of all the votes cast, both for and against the rescission of the adoption of this Act, in said city shall be cast in favor of the rescission thereof, the said adoption of this Act shall thereby be rescinded and thereupon this Act shall cease to be operative within such city and no petition shall be received for the submission of the question of the adoption of the provisions of this Act to the voters of said city, and no such question shall be submitted to them, at any election earlier than the general election to be held in the second calendar year following the date of such election. If at such election the majority of all the votes so cast shall be against the rescission of said adoption, no petition for such submission of the question of the rescission of such adoption shall be received and no such question shall be again submitted at any election earlier than the general election to be held in the second calendar year following the date of such election.

Section 43. A new section of the Kentucky Revised Statutes is created to read as follows:

If any section, subsection, clause, sentence or phrase of this Act which is reasonably separable from the remaining portions of this Act is for any reason held to be unconstitutional, such decision shall not affect the remaining portions of this Act.

Section 44. A new section of the Kentucky Revised Statutes is created to read as follows:

An organization may, for the purpose of holding, operating and conducting games under the bingo licensing Act, rent or use premises not owned by such organization upon compliance with the provisions of this Act. No such rental or use shall be permitted unless the governing body of the city shall determine that the payment to be made for such rental or use of the premises is fair and reasonable and that the rentors of said premises are approved rentors under this Act.

Section 45. A new section of the Kentucky Revised Statutes is created to read as follows:

From and after the effective date of this Act, no person shall act as, or be, a rentor unless said person (a) is itself licensed to hold, operate or conduct games under the bingo licensing Act or (b) has first obtained from the governing body of any city a license as an approved rentor.

Section 46. A new section of the Kentucky Revised Statutes is created to read as follows:

A person seeking a license as an approved rentor shall file in the office of the city clerk a written application for such license. The application shall specify the premises to be rented and be in such form and require such information as the governing body of any city shall deem necessary for the purpose of effectuating the provisions of the bingo licensing Act.

Section 47. A new section of the Kentucky Revised Statutes is created to read as follows:

No license as an approved rentor shall be granted:

(a) If any person whose signature or name appears in the application is not the real party in interest or if the person so signing or named in the application is an undisclosed agent or trustee for any such real party in interest; and,

(b) Unless the governing body of any city shall determine that (1) the applicant and, (2) if the applicant is not the owner, the owners of said premises, and (3) if said applicant or the owner is a corporation, all of its officers and each of its stockholders who own ten per cent or more of its issued and outstanding stock, are of good moral character and have not been convicted of a crime.

Section 48. A new section of the Kentucky Revised Statutes is created to read as follows:

When the application shall have been examined and such further inquiry and investigation made as the governing body of any city shall deem proper and when the governing body of any city shall be satisfied therefrom that the persons named in subsection (b) of Section 47 of this Act possess the qualifications prescribed in this Act, the governing body of any city shall issue and deliver a license to such applicant as an approved rentor for the premises stated in the application upon payment by the applicant of a license fee of fifty dollars. Said license shall be valid until revoked, suspended or modified by the commissioner. The governing body of any city may issue a temporary permit to any applicant for such license pending final action on the application. Any such temporary permit shall be valid for a period not in excess of thirty days.

Section 49. A new section of the Kentucky Revised Statutes is created to read as follows:

Any license as approved rentor issued pursuant to this Act may be revoked or suspended for such period as the governing body of any city or the Commissioner deems in the public interest for any of the following offenses on the part of the licensee, its agent or employees, or any person required by this Act to sign or be identified in an original application for a license:

(a) Any cause which would permit or require disqualification of the licensee from receiving a license upon original application;

(b) Fraud, deceit or misrepresentation in securing the license or in the conduct of the licensed activity or in connection with any application submitted to, or any interview, hearing or proceeding conducted by, the commissioner;

(c) Failure by the licensee to maintain a complete set of books and records containing a true and accurate account of the licensee's receipts and disbursements arising out of his activities;

(d) Failure to keep said books and records available during business hours for inspection by the commissioner and his duly designated representative until the expiration of the second calendar year following the calendar year during which occurred the transactions recorded therein;

(e) Violation of any provisions of this Act, the bingo licensing Act, or the rules and regulations adopted by the commissioner.

Section 50. A new section of the Kentucky Revised Statutes is created to read as follows:

The governing body of any city shall have power to make and enforce such reasonable rules and regulations as it may deem necessary to effectuate the provisions of this Act and the powers conferred upon it hereunder and to prevent the circumvention or evasion thereof. Said rules and regulations may, among other things, require that all rental or use agreements be in writing and in form approved by the governing body of any city and may provide for the form of application and the information to be furnished the governing body of any city on any application for approval, but shall not impose limitations on the number of days a month the premises may be used for purposes authorized by the Act.

Section 51. A new section of the Kentucky Revised Statutes is created to read as follows:

No agreements or arrangements for the rental or use of premises shall be valid and no moneys paid by licensed organizations for such rental or use or services shall be allowable expenditures or be taken into account in determining net proceeds unless made in accordance with the provisions of this Act and of the rules and regulations adopted by the commissioner pursuant thereto.

Section 52. A new section of the Kentucky Revised Statutes is created to read as follows:

(a) Any person participating in or conducting bingo games or aiding or abetting bingo games or leasing, owning or renting premises used for conducting bingo games which are not operated within the provisions of this Act shall be subject to the provisions of Chapter 436 of the Kentucky Revised Statutes.

(b) Any bingo game not conducted under the provisions of this Act shall be a lottery and shall be considered in violation of Chapter 436 of the Kentucky Revised Statutes.

(c) Any person signing, or aiding and abetting the signing or filing of, or conspiring to, or causing to be filed a false statement in order to conduct bingo games under the provisions of this Act shall be fined not less than fifty dollars nor more than five hundred dollars.

SB 246, AN ACT relating to archaeological sites and objects of antiquity.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is hereby declared to be the public policy of the Commonwealth to preserve archaeological sites and objects of antiquity for the public benefit and to limit exploration, excavation and collecting of such matters to qualified persons and educational institutions possessing the requisite skills and purposes to add to the general store of knowledge concerning history, archaeology and anthropology.

Section 2. As used in this Act, unless the context otherwise requires:

(1) "Archaeological site" means any place where articles of value in the scientific study of historic or prehistoric human life and activities may be found, such as mounds, earthworks, forts, mines, burial grounds, graves and village or camp sites of Indians or any aboriginal race or pioneers.

(2) "Object of antiquity" means a ruin, monument, relic, bone deposit, artifact or any product of human workmanship of Indians or any aboriginal race or pioneers.

(3) "Department" means the Department of Anthropology of the University of Kentucky.

Section 3. No person shall willfully injure, destroy or deface any archaeological site or object of antiquity situated on lands owned or leased by the Commonwealth or any state agency or any political subdivision or municipal corporation of the Commonwealth.

Section 4. (1) No person shall explore, excavate, appropriate or remove from land owned or leased by the Commonwealth or any state agency or any political subdivision or municipal corporation of the Commonwealth, any archaeological site or object of antiquity without first obtaining a permit from the Department of Anthropology upon the recommendation of the agency owning or having control of the land upon which the same is situated.

(2) If exploration or excavation of archaeological sites and the finding and gathering of objects of antiquity is undertaken for the benefit of reputable museums, universities, colleges or other recognized scientific or educational institutions with a view to promoting the knowledge of archaeology or anthropology, permits shall be regularly granted.

(3) Each permit issued by the department under this section shall accurately describe the location and sites of the ruins or deposits where the exploration or excavation is to be conducted and shall authorize such actions only at such location. The permit shall be upon such conditions as the department shall deem advisable for maximum effective exploration with a minimum of injury to the surrounding terrain. Each permit shall terminate upon the following thirty-first day of December, subject to an annual renewal on or before the following January 15. However, any permit may be revoked by the department at any time upon a finding that explorations or excavations authorized by the permit are not being conducted lawfully or properly in accordance with its terms.

Section 5. The department may designate archaeological sites and objects of antiquity and cause to be posted at the locations thereof appropriate signs or markers.

Section 6. Any person who discovers an archaeological site or object of antiquity in the course of construction work or otherwise shall report such discovery to the department.

Section 7. The department may enter into contracts or cooperative agreements with private landowners relating to the preservation and proper exploration of any archaeological site or object of antiquity situated on such private land. The department may acquire with any funds available to it for such purpose title to any real estate upon which is located an archaeological site or object of antiquity which the department determines it is important to be preserved.

Section 8. Any person who violates the provisions of Section 3 and or subsection (1) of Section 4 of this Act shall be fined not less than fifty dollars nor more than five hundred dollars or confined in jail for not less than ten days nor more than six months, or both fined and imprisoned.

HB 220, AN ACT relating to deceased sheriffs.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) When any sheriff in counties containing a population of less than 75,000 dies during his term of office, the fiscal court of any such county shall on or before the first day of March of the year following the death of such sheriff pay to the personal representative of the deceased sheriff sufficient money to reimburse the deceased sheriff for the salaries of his deputies and assistants and other necessary expenses of his office incurred by him during the year of his death and to pay him a salary at the rate of six hundred dollars per month for the actual number of months which he performed the duties of sheriff during the year of his death, the total of such sums of money in no event to exceed one-twelfth of the aggregate fees collected by the deceased sheriff and his successor during the year of such death for each month during such year that the deceased sheriff actually performs the duties of sheriff.

(2) The provisions of subsection (1) of this section shall not apply to any deceased sheriff who collects fees and commissions during the year of his death equal to all such sums of money mentioned in subsection (1) of this section prior to his death.

HB 262, AN ACT relating to fire departments.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 95.500 of the Kentucky Revised Statutes is amended to read as follows:

(1) The chief of the fire department in cities of the second class shall be present at all fires and investigate their cause. He may examine witnesses, compel the production of testimony, administer oaths, make arrests, and enter any building for the purpose of examination that, in his opinion, is in danger from fires. He shall report his proceedings to the city legislative body when required.

(2) The chief shall direct and control the operations of the members of the fire department in the discharge of their duties. He shall have access to and use of all cisterns, fireplugs, the waters of the waterworks and the cisterns of private persons, for the purpose of extinguishing fires. He shall have the right to examine all cisterns, and all plugs and pipes of the waterworks, to see that they are in condition for use in case of fire. He shall have control of all buildings, hose, engines and other equipment provided for the fire department. He shall perform such other duties as the city legislative body shall, by ordinance, prescribe.

(3) The fire department of each second class city shall be divided into three platoons. Each platoon shall be on duty for twenty-four consecutive hours after which platoon serving twenty-four hours shall be allowed to remain off duty for forty-eight consecutive hours, except in cases of dire emergency. The chief of the fire department shall arrange the schedule of working hours to comply with the provisions of this section. The pay, rank or benefits of the members and officers of the fire department, shall not be reduced as a result of this Act.

[(3) The fire department of each second-class city shall be divided into not less than two platoons, one of which platoons shall be on duty at a time but neither platoon shall be on duty more than twenty-four consecutive hours, except in cases of extraordinary emergency, after which the platoon serving twenty-four hours shall be allowed to remain off duty for at least twenty-four consecutive hours. Each individual member of the platoons in addition to receiving a minimum of twenty-four hours off duty in each period of forty-eight hours shall receive an additional period of twenty-four consecutive hours off duty in each period of fourteen days. The chief of the fire department shall arrange the schedule of working hours to comply with the provisions of this section.]

(4) In each city of the second class all employes of the fire department shall be given not less than two weeks leave of absence annually, with full pay.

Section 2. This Act shall become effective July 1, 1962.

HB 507, AN ACT relating to the salaries of the mayor and commissioners in cities of the second class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 89.480 of the Kentucky Revised Statutes is amended to read as follows:

(1) In cities of the second class the mayor shall receive an annual salary of not less than *$7,200* [$1,800 and not more than $3,000], and each commissioner shall receive an annual salary of not less than

$6,000 [$1,500 and not more than $2,500], to be fixed by the City Legislative Body.

(2) In cities of the third and fourth classes the mayor shall receive an annual salary of not more than $750, and each commissioner shall receive an annual salary of not more than $500.

(3) In cities of the second, third and fourth classes the board of commissioners may reduce the annual salary of the mayor or the commissioners to an amount not less than one dollar.

HB 445, AN ACT relating to the code of practice in criminal cases.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) A guaranteed arrest bond certificate presented by the person whose signature appears thereon shall be accepted in lieu of cash bail in an amount not to exceed two hundred dollars as a bail bond to guarantee the appearance of such person in any court of this Commonwealth, at the time required by such court, when he is arrested for violation of any law of this Commonwealth or traffic ordinance of any municipality therein relating to the operation of a motor vehicle. A guaranteed arrest bond certificate so presented as a bail bond is subject to the same forfeiture and enforcement provisions as a bail bond or cash bail, but is not subject to Sections 76, 77, 78 and 82 of the Code of Practice in Criminal Cases. However:

(a) The violation must have been committed prior to the expiration date shown on the guaranteed arrest bond certificate, and

(b) A guaranteed arrest bond certificate may not be accepted when a person is arrested for violation of subsection (2) of KRS 189.520 or KRS Chapter 281.

(2) As used in this section, "guaranteed arrest bond certificate" means a printed card or other certificate issued by an association to any of its members, which is signed by the member and contains a printed statement that such association and a surety company licensed to do business in this Commonwealth:

(a) Guarantee the appearance of the person whose signature appears on the card or certificate, and

(b) Will, in the event of the failure of such person to appear in court at the time set for appearance, pay any fine or forfeiture imposed upon such person in an amount not to exceed two hundred dollars.

Amend printed copy of House Bill 445 on page 2, line 8-10, by: deleting all of lines 8 through 10 and inserting in lieu thereof the following: "association or insurance company to any of its members or insureds, which is signed by the member or insureds and contains the printed statement that such association or insurance company and a surety company licensed to do business in this Commonwealth or an insurance company authorized to transact both automobile liability insurance and surety business."

HB 171, AN ACT to amend and re-enact KRS 186.412 and 186.531 relating to motor vehicle operator's licenses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. KRS 186.412 and KRS 186.531 are hereby amended and re-enacted to read as follows:

KRS 186.412 Form of application; to whom made; issuance of temporary license.

(1) Every person seeking a license for operation of a motor vehicle shall apply in person to the circuit court clerk of the county in which he resides and make application upon a form furnished by the department. The application shall contain the full name and signature, date of birth, sex, race, and present resident address of the applicant and briefly describe him. It shall also state whether the applicant has previously been licensed as an operator and if so, when and by what state or country, whether any license has ever been cancelled, suspended, revoked or refused, and if so, the date of and reason for the cancellation, suspension, revocation or refusal, and such other information as may be required. Every application and the license issued as a result of such application shall contain the photograph of the applicant or licensee, as the case may be, such photograph to be taken in such a manner that one exposure will photograph the applicant and the application simultaneously on the same negative. Such process or processes shall be used in the issuance of licenses as will prohibit, as nearly as possible, the alteration or reproduction of the license and prohibit the ability to superimpose a photograph on such license without ready detection. All licenses and photographic attachments shall be processed in color.

(2) Every applicant shall make oath to the circuit clerk as to the truthfulness of the statements contained in the form.

(3) The clerk shall, after determining that the applicant has fully complied with the law governing applications, issue a temporary operator's license to be valid for not more than ninety days. Such temporary license shall be valid in lieu of the permanent license during the certification period and must be destroyed upon receipt of the permanent operator's license.

KRS 186.531 Fees for licenses and permits; clerk's fees.

(1) The cost of operator's licenses and permits shall be as follows:

(a) The fee for an original or renewal license shall be two dollars and thirty-five cents;

(b) The fee for an instruction permit shall be fifty cents plus fifty cents for preparing and acknowledging such application; and

(c) The fee for a duplicate license shall be one dollar and thirty-five cents.

(2) The circuit clerk shall retain fees pertaining to applications and license fees in the following manner:

(a) Thirty-seven and one-half percent of any original and renewal licenses;

(b) Fifty cents for issuance of an instruction permit;

(c) Fifty cents for preparing and acknowledging an application for an instruction permit; and

(d) Seventy-five cents for preparing and acknowledging an application for a duplicate.

(3) The remainder of all fees, and other moneys collected by the circuit court clerk shall be forwarded to the Department of Revenue.

HB 216, AN ACT relating to judicial districts.

WHEREAS, the General Assembly of the Commonwealth of Kentucky at its 1960 Session did, by mistake and inadvertence in establishing the terms of the Circuit Court for the Fourteenth Judicial District, cause the third week of the term of the Scott Circuit Court to overlap and extend into the first week of the term of the Woodford Circuit Court in the month of October; and

WHEREAS, this overlap results in great inconvenience to the people and officers of the Fourteenth Judicial District;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The preamble and subsection (14) of Section 23.050 of the Kentucky Revised Statutes is amended to read as follows:

The regular term of each court shall commence in each county at the following named time, and continue, if the business requires it, the number of days hereinafter prescribed:

(14) Bourbon County, at Paris, on the first Monday in January and April, twenty-four juridical days, [;] *save and except that if the first Monday falls on a New Year, then such term shall begin on the first Tuesday after the first Monday, for twenty-three juridical days in such term;* and the *fourth* [first] Monday in September, twenty-four juridical days.

Scott County, at Georgetown, on the first Monday in February, *eighteen juridical days; on the second Monday in* May, *eighteen* *juridical days; on the fourth Monday in* October, eighteen juridical days. [each.]

Woodford County, at Versailles, on the *first* [third] Monday in March, *twelve juridical days; on the first Tuesday in September, eleven juridical days; on the fourth Monday in November,* twelve juridical days. [and October and the first Monday in December, each.]

Section 2. This Act shall become effective September 1, 1962.

HB 497, AN ACT relating to political advertising.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. All written or printed circulars, advertisements, or other statements with reference to any candidate or group of candidates for nomination or election to any public office in this Commonwealth shall be signed by the writer thereof, or if the same purports to be issued by any committee organization or other similar association, the same shall be signed with the names of at least two of the principal officers of such committee, organization, or association.

Section 2. Any person who violates any of the provisions of this Act shall be fined not less than fifty dollars nor more than five hundred dollars, or imprisoned in the county jail for not less than ten days nor more than thirty days, or both.

Section 3. In view of the fact that a primary election will be held on May 29, 1962, there is hereby declared to be an emergency and this Act shall become effective immediately upon being passed by the General Assembly and signed by the Governor.

HB 278, AN ACT providing for penalties for violation of an order or resolution of a fiscal court imposing license fees in counties having a population of 300,000 or more.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 68.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any outgoing county treasurer who fails for ten days to comply with any of the provisions of KRS 68.050 shall be fined not less than fifty nor more than five hundred dollars.

(2) The fiscal court and each member thereof that fails or refuses to comply with any of the provisions of KRS [68.070 or] 68.080 shall be fined fifty dollars for each offense.

(3) Any county officer or member of a fiscal court who violates any of the provisions of KRS 68.110(3) shall be fined not less than one hundred nor more than five hundred dollars, or imprisoned in the

county jail for not less than one month nor more than twelve months, or both.

(4) Any county or state officer who knowingly violates any of the provisions of KRS 68.250(4), 68.270, 68.280, 68.310, 68.320, or 68.370 shall, in addition to the specific liabilities imposed for violating any of the provisions of those sections, be guilty of a misdemeanor and, upon conviction thereof, shall have his office declared vacant, and may also be fined not more than five hundred dollars or imprisoned for not more than ninety days, or both.

(5) Any county officer or member of a county budget commission who willfully violates any of the provisions of KRS 68.010, 68.020(3), 68.040, 68.220 to 68.260, 68.290, 68.300, 68.330, 68.340 or 68.360 shall be fined not less than fifty nor more than two hundred dollars.

(6) Any person or corporation who shall fail, neglect or refuse to make any return required by order or resolution of the fiscal court of a county having a population of 300,000 or more imposing a license fee pursuant of KRS 68.180, 68.185, 68.190 and 68.195, or any employer who shall fail to withhold said license fees or to pay fees so withheld under the terms of said fiscal court order or resolution, or any person who shall refuse to permit the fiscal court of any agent, attorney or employee designated by said fiscal court in writing, to examine his books, records and papers, or who shall knowingly make any incomplete, false or fraudulent return, or who shall attempt to do anything whatever to avoid the full disclosure of the amount of earnings or profits in order to avoid the payment of the whole or any part of said license fee shall, upon conviction, be subject to a fine or penalty of not more than five hundred dollars, or imprisoned for not more than ninety days, or both, for each offense.

HB 279, AN ACT relating to license taxes in counties containing a population of 300,000 or more.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 68.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) The fiscal court of each county having a population of 300,000 or more, may by order or resolution impose license fees on franchises, provide for licensing any business, trade, occupation or profession, and the using, holding or exhibiting of any animal, article or other thing. License fees on such business, trade, occupation or profession for revenue purposes shall be imposed at a percentage rate or rates not to exceed one and one-fourth percent of (a) salaries, wages, commissions and other compensation earned by persons within the county for work done and services performed or rendered in

the county, and (b) the net profits of businesses, trades, professions or occupations from activities conducted in the county. Licenses imposed for regulatory purposes shall not be subject to such limitations as to form and amount. No company that pays an ad valorem tax and a franchise tax shall be required to pay a license tax, and no license tax shall be imposed upon or collected from any bank, trust company, combined bank and trust company or combined trust, banking and title business in this state, or in other cases where the county is prohibited by statute from imposing a license tax.

(2) In default of the payment of such taxes at the time fixed by the fiscal court, a penalty of five percent shall be added thereto and interest on the amount of such taxes shall be computed and paid by the delinquent taxpayer from that date at the rate of six percent per annum until paid.

(3) A lien superior to all other liens, except the lien of a bona fide purchaser or mortgagee who did not have notice of the lien under this section and the lien for state taxes, whether such liens were acquired on or before the maturity of the taxes referred to in this section, shall exist in favor of the county from the date the taxes are due, for the amount of the taxes, interest and penalties, upon all the real and personal property of the delinquent taxpayer. The county may enforce the lien by action in the circuit court and in that action may also obtain a personal judgment against the delinquent taxpayer for the tax, penalty, interest and costs of suit.

SB 354, AN ACT relating to uniform administrative procedure.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act may be cited as the "Kentucky Administrative Procedure Act."

Section 2. Through this Act, the General Assembly intends to establish minimum procedural requirements for all, except for expressed exemptions, administrative regulation-making and adjudication and for judicial review of both. This Act confers no additional regulation-making authority upon any agency except to the extent provided in Section 5 (1).

The provisions of this Act are intended to amend present statutes applicable to specific agencies; nothing in the Act shall be held to diminish the constitutional rights of any person or to limit or repeal additional requirements imposed by statutes or otherwise recognized by law.

Section 3. For the purpose of this Act:

(1) "Agency" means each state authority, bureau, board, commissioner, department, division, officer or employe authorized by

law to make regulations or to determine contested cases, except those of the General Assembly, the judiciary, the Governor, any penal or educational institution or any agency acting within its capacity as administrator of the military affairs of this state.

(2) "Contested Case" means a proceeding in which the legal rights, duties, or privileges of a specific party or parties are required by law to be determined by an agency after an opportunity for hearing and shall include, but is not limited to, rate-making, price fixing and licensing in which an opportunity for a hearing is required by law.

(3) "License" includes the whole or part of any agency permit, certificate, approval, registration, charter, or similar form of permission required by law. "Licensing" includes the agency process respecting the grant, denial, renewal, revocation, suspension, annulment, withdrawal, or amendment of a license.

(4) "Party" means each person or agency named or admitted as a party, or properly seeking and entitled as of right to be admitted as a party.

(5) "Person" means any individual, partnership, corporation, association, governmental subdivision, or public or private organization of any character other than an agency.

(6) "Regulation" means each agency rule, standard, directive, or statement of general applicability that implements or interprets law or policy, or describes the organization, procedure, or practice requirements of any agency. The term includes the amendment or repeal of a prior regulation, but does not include: (a) statements concerning only the internal management of an agency and not affecting private rights or procedures available to the public, (b) declaratory rulings issued pursuant to Section 14 of this Act, (c) intra-agency memoranda, (d) agency decisions and findings in contested cases, or (e) regulations concerning the use of public roads or facilities which are indicated to the public by means of signs and signals.

(7) "Commission" means the Legislative Research Commission.

(8) "Director" means the director of the Legislative Research Commission.

Section 4. Unless otherwise provided by law, each agency may adopt reasonable regulations to aid in carrying out the functions assigned to it by law and shall adopt such regulations as are necessary to the proper execution of those functions. If adopted and filed in accordance with the provisions of this Act, such regulations shall have the force of law and be enforced by all peace officers. In every instance the power to adopt regulations to carry out a particular function is limited by the terms of the grant of authority under which the function was assigned. The courts shall take judicial notice of any regulation duly adopted and filed under the provisions of Sections 6 and 7 of this Act after the regulation has become effective.

Section 5. (1) In addition to other regulation-making requirements imposed by law, each agency shall:

(a) Adopt regulations of practice, setting forth the nature and requirements of all formal and informal procedures available, and including a description of all forms and instructions used by the agency.

(b) Make available for public inspection all regulations and rules and other written statements of policy or interpretations formulated, adopted or used by the agency in the discharge of its functions as provided in KRS 171.650.

(c) Make available for public inspection all final orders, decisions, and opinions except those expressly made confidential or privileged by statute.

(2) No agency regulation, rule, order, or decision shall be valid or effective against any person or party, nor may it be invoked by the agency for any purpose, until it has been published or made available for public inspection as required in this section, except that this provision shall not be applicable in favor of any person or party who has actual knowledge thereof.

Section 6. (1) Prior to an agency's adoption, amendment, or repeal of any regulation the agency shall:

(a) Give at least twenty days' notice of its intended action. The notice shall include a statement of either the terms or substance of the proposed regulation or a description of the subjects and issues involved, and of the time when, the place where, and the manner in which, interested persons may present their views thereon. The notice shall be mailed to all persons who have requested in writing that they be placed upon a mailing list, which shall be kept by the agency for advance notice of its regulation-making proceedings. The notice shall also be published in the KAR Bulletin. The KAR Bulletin shall be prepared and distributed regularly by the commission for the purpose of giving notice of any proposed regulation, any regulation filed pursuant to the emergency clause in subsection (2) of this section and any public contested case hearing or for any other purpose determined by the commission. The KAR Bulletin shall be sent to all agencies, to all persons who have requested it, and to anyone else whom the commission shall choose.

(b) Afford all interested persons reasonable opportunity to submit data, views, or arguments, orally or in writing. A certified copy of all such submissions and all requests for an oral argument may be mailed to the commission for public record. In the case of substantive regulations, opportunity for oral hearing must be granted if requested by either ten percent or twenty-five of the persons who will directly be affected by the proposed regulation, or by a governmental subdivision, or by an association having not less than twenty-five members. The agency shall consider fully all written and oral submissions respecting the proposed regulation. Upon adoption of a regulation, the agency, if requested to do so by an interested person, either prior to adoption or within thirty days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reasons for overruling the consideration urged against its adoption.

(2) If an agency finds that an emergency exists, and such a finding is concurred in by the Governor by written endorsement on the original copy of a proposed regulation, a regulation may be adopted and become effective immediately upon its being filed in the office of the commission. A regulation so adopted may be effective for a period of not longer than 120 days, but the adoption of an identical regulation under subsection (1) of this section is not precluded.

(3) No regulation is valid unless adopted in substantial compliance with this section, but no objection of any regulation on the ground of non-compliance with the procedural requirements of this section may be made after two years from its effective date.

Section 7. (1) No regulation shall become effective until twenty days after an original and two duplicate copies of the regulation are filed with the commission, except where a later date is required by statute or specified in the regulation and except where the agency finds that an emergency exists, and such finding is concurred in by the Governor, by written endorsement upon the original regulation. In the case of such an emergency, a regulation may become effective immediately upon being filed with the commission.

(2) Each regulation shall include a citation of the authority pursuant to which it, or any part of it, was adopted.

(3) The commission shall cause to be endorsed on the original and duplicate copies of each regulation filed, the time and date of the filing thereof, and shall maintain a file of such regulations for public inspection with suitable indexes.

(4) No adopted regulation, which attempts to incorporate an agency's ruling, order, or like material by referring to the general subject of such, or to where such may be found, or to both, shall be accepted for filing.

(5) The commission shall prescribe rules governing the manner and form in which regulations shall be prepared, to the end that all regulations shall be prepared in a uniform manner. The commission may refuse to accept for filing any regulation that does not conform to the rules.

(6) The commission shall furnish advice and assistance to all state agencies in the preparation of their regulations, and in revising, codifying and editing existing or new regulations.

Section 8. When any regulation filed with the commission expires by its own terms or is superseded or revoked, the commission shall cause the same to be placed in an inactive file.

Section 9. (1) The commission shall compile, publish and distribute the regulations filed by agencies in a manner which will accommodate changes in regulations and allow distribution of any topical or organizational part of the regulations as well as their full text. This compilation shall be known as the Kentucky Administrative Regulations Service and shall constitute the official state publication of administrative regulations.

(2) The cost of printing each regulation, as required by subsection (1), shall be charged to the account of the agency which filed the regulation.

(3) The commission shall prescribe reasonable fees for subscription to the Kentucky Administrative Regulations Service. All fees paid to the commission for this service shall be placed in the State Treasury to the credit of a revolving, trust or agency fund account, for use by the commission in carrying out the provisions of this section.

(4) A current copy of the Kentucky Administrative Regulations Service shall be kept for public inspection in each county law library or, in a county without a county law library, in the office of the circuit court clerk. The subscription fee for these copies shall be charged to the account of the State Law Library.

(5) Nothing in this Act shall prevent any agency, in its discretion and subject to the approval of the commission from filing, and the commission from distributing, any rates, tariffs or other documents not required by Section 7 of this Act to be filed.

Section 10. The Kentucky Administrative Regulations Service shall be prepared under the direct supervision of an attorney appointed by the commission and designated the Regulations Compiler. The director shall cause to be prepared a certificate to the effect that the text of the regulations as printed in this service is correct. One copy of the Kentucky Administrative Regulations Service with the original certificate therein shall be maintained in the office of the Secretary of State. All other copies shall contain a printed copy of the certificate and shall constitute prima facie evidence of the law in all courts and proceedings.

Section 11. The commission's authenticated file stamp on a rule or regulation, or publication of a rule or regulation in the Kentucky Administrative Regulations Service shall raise a rebuttable presumption that the rule or regulation was adopted and filed in compliance with all requirements necessary to make it effective.

Section 12. Any interested person may petition an agency requesting the adoption and filing, the amendment, or the repeal of any regulation and may accompany his petition with relevant data, views, and arguments. A certified copy of all petitions and accompanying materials may be mailed to the commission for public record. Each agency shall prescribe by regulation the form for such petitions and the procedure for their submission, consideration, and disposition. Upon submission of such a petition, the agency shall within thirty days either deny the petition in writing stating its reasons or initiate regulation-making proceedings in accordance with Section 6 of this Act.

Section 13. (1) The validity or applicability of any regulation may be determined in an action for declaratory judgment in the Franklin Circuit Court, when it is alleged that the regulation, or its threatened application, interferes with or impairs, or threatens to interfere with or impair, the legal rights or privileges of the plaintiff. A declaratory judgment may be rendered whether or not the plaintiff has first requested the agency to pass upon the validity of the regulation in question. The court shall declare the rule invalid if it finds that it violates constitutional or statutory provisions or exceeds the statutory authority of the agency.

(2) Any agency, whose regulation is made the subject of a declaratory action under subsection (1), shall be made a party to the action. Any agency may institute an action for a declaratory judgment, as provided in subsection (1), concerning any regulation adopted and filed by it or any other agency.

(3) Actions for declaratory judgment provided for in subsections (1) and (2) shall be in accordance with the Declaratory Judgment Act, KRS 418.040 to 418.090, and the Rules of Civil Procedure. In all actions under subsections (1) and (2), the Attorney General shall, before judgment is entered, be served with a copy of the petition, and shall be entitled to be heard.

Section 14. Each agency shall provide by regulation for the filing and prompt disposition of petitions for declaratory orders and advisory opinions as to the applicability of any statutory provision or of any regulation or decision of the agency. Declaratory orders disposing of petitions in such cases shall have the same status as agency decisions or orders in contested cases if issued after compliance with the procedure for contested cases, as outlined in Section 15. A reasonable number of any class of persons which will be substantially affected by a declaratory order should be notified of these proceedings.

Section 15. In addition to any other requirements imposed by the common law, statutes or regulations:

(1) In any contested case, all parties shall be afforded an opportunity for hearing after reasonable notice served personally or by mail. Where these indispensable and necessary parties compose a large class, the notice shall be served upon a reasonable number thereof as representatives of the class. A reasonable number of any other class which will be substantially affected by a decision in a contested case should be served. Notice of all contested cases shall be published in the KAR Bulletin.

(2) The notice shall include a statement of:

(a) the time, place, and nature of the hearing;

(b) the legal authority and jurisdiction under which the hearing is to be held;

(c) the particular sections of the statutes and regulations involved;

(d) the matters asserted in short and plain language;

(e) the existence of any relevant staff memoranda or data which is not made confidential or privileged by statute;

(f) the right of any party to subpoena witnesses and documentary evidence through the agency.

If the agency or other party is unable to state the matters, referred to in clause (d), in detail at the time the notice is served, the initial notice may be limited to a statement of the issues involved, and thereafter upon application a more definite and detailed statement shall be furnished.

(3) Opportunity shall be afforded all parties to be represented by legal counsel, to respond and present evidence and argument on all issues involved, and to examine staff memoranda and data considered by the agency in its disposition of the case which is not made confidential or privileged by statute.

(4) Unless precluded by law, informal disposition may be made of any contested case by stipulation, agreed settlement, consent order, or default.

(a) Where the indispensable and necessary parties compose a large class, any member of the class, upon timely application, shall be permitted to intervene in any contested case as a party when a statute or regulation confers an unconditional right to intervene or when the representation of the applicant's interest by existing parties is or may be inadequate.

(b) Any other person, upon timely application, may be permitted to intervene as a party when a statute or regulation confers a conditional right to intervene or when the applicant's claim or defense and the contested case have a question of law or fact in common. In exercising its discretion the agency shall consider whether the intervention will unduly delay or prejudice the adjudication of the rights of the existing parties.

(c) The agency shall administer oaths and issue subpoenas authorized by other statutes and the common law upon its own motion or when requested by any other party. Each party shall pay the cost of its subpoenas and the expenses of its witnesses under KRS 421.010. When a subpoena is disobeyed, any party may apply to the Franklin Circuit Court for an order requiring obeyance. Failure to comply with such order shall be cause for punishment as a contempt of the court under KRS 421.110.

(d) Unless specifically precluded by statute, any contested case may be held before any agency representative or hearing official.

(5) A record shall be kept in each contested case and shall include:

(a) all pleadings, motions, intermediate rulings;

(b) evidence received or considered;

(c) a statement of matters officially noticed;

(d) questions and offers of proof and rulings thereon;

(e) proposed findings and exceptions;

(f) any decision including any initial, recommended, or tentative decision, opinion or report by the officer presiding at the hearing;

(g) all staff memoranda or data submitted to the hearing officer or members of the agency in connection with their consideration of the case;

(h) all stenographic recordings taken and transcriptions made.

(6) Oral proceedings, or any part thereof, shall be reported stenographically upon request by any party.

(7) Findings of fact shall be based exclusively on the evidence and matters officially noticed.

Section 16. In contested cases:

(1) Irrelevant, immaterial, or unduly repetitious evidence shall be excluded and the rules of privilege shall be given effect. The rules of evidence as applied in civil cases shall be followed; but when necessary to ascertain facts which cannot otherwise be proved, evidence not admissible under such rules may be admitted if it is of the type commonly relied upon by reasonably prudent men in the conduct of their affairs. Objections to evidentiary offers may be made and shall be noted in the record. Subject to these requirements, when a hearing will be expedited and the interests of the parties will not be prejudiced substantially thereby, all or part of the evidence

may be received in written form if such a procedure has been prescribed in the regulations of the agency holding the hearing.

(2) The authenticity of a writing or document may be proved by any means provided by statute or the common law. Authenticity may be deemed admitted by any party who was served with a written request for the admission of authenticity within ten days in advance of the hearing but unreasonably failed to file written objection within five days in advance of the hearing. The request for admission must contain an exact copy of the writing or document.

The original copy of a writing or document is the only admissible proof of its contents unless the writing or document:

(a) has been lost or destroyed in good faith, or is beyond the reach of the proponent and the agency, or was in the possession of an opponent when he received reasonable notice that it would be needed at the hearing and on request at the hearing failed to produce it, or is not closely related to the controlling issues and it would be inexpedient to require its production; in which cases any type of secondary evidence is admissible;

(b) was served within ten days prior to the hearing in the form of an exact copy upon all parties with a written request to be allowed to introduce the copy as the original and no written objection was filed within five days prior to the hearing;

(c) was accurately reproduced by any photographic process in the regular course of business, in which case a copy shall be admissible as provided in KRS 422.105 and KRS 171.660; or

(d) is an official record, of which an attested copy is made admissible as evidence of the original, as provided in Civil Rule 44, KRS ch. 422 and other statutes.

The copies referred to in (b), (c) and (d) are preferred to other types of secondary evidence.

(3) A party has the right to conduct such cross-examination as may be required for a full and true disclosure of the facts.

(4) Official notice may be taken of judicially cognizable facts. In addition, official notice may be taken of generally recognized technical or scientific facts within the agency's specialized knowledge; but parties shall be notified either before or during the hearing, or by reference in preliminary reports or otherwise, of the material so noticed, and they may be afforded an opportunity to contest the facts so noticed, including staff memoranda or data.

Section 17. The agency shall personally consider the whole record or such portions thereof as may be cited by the parties. Whenever in a contested case a majority of the officials of the agency who are to render the final decision have not heard the case or read the record, the decision, if adverse to a party to the proceeding other than the agency itself, shall not be made until a tentative or proposed decision has been served upon the parties, and an opportunity has been afforded to each party adversely affected to file exceptions and present briefs and oral argument to the officials who are to render the decision. The tentative or proposed decision shall contain a statement of reasons and include the determination of each issue of fact or law necessary to the proposed decision, prepared by the person who conducted the hearing or one who has read the record. The parties may by written stipulation waive compliance with this section.

Section 18. Any final decision adverse to a party, other than the agency, in a contested case shall be in writing or stated in the record. Any final decision shall separately state findings of fact, conclusions of law, reasons for the decision and the effective date of the decision. Findings of fact, if set forth in statutory language, shall be accompanied by a concise and explicit statement of the underlying facts supporting the findings. If a party has, in accordance with agency regulations, submitted proposed findings of fact, the decision shall include a ruling upon each such proposed finding. Parties shall be notified either personally or by certified mail of any decision and of their rights to appeal. Upon request a copy of the decision shall be delivered or mailed forthwith to each party and to his attorney of record. A summary of all decisions shall be published in the KAR Bulletin except those required to be confidential as determined by the agency rendering the decision.

Nothing in this section shall prevent agencies from entering summary decisions for contested cases informally disposed of under Section 15(4).

Section 19. Unless required for the disposition of ex parte matters authorized by law, those assigned to render a decision or to make findings of fact in a contested case shall not, directly or indirectly, in connection with any issue of fact, consult with any person, party or agency member, who was engaged in the investigation or prosecution of the case, or conduct any investigation outside the record. Such action may be taken only upon notice and opportunity for all parties to participate.

In connection with any issue of law, no party or representative shall be consulted except upon notice and opportunity for all parties to participate.

Section 20. (1) Whenever the granting, denial or renewal of a license is required by law to be preceded by notice and opportunity for hearing, the provisions of the act concerning contested cases shall apply.

(2) Whenever a licensee has made timely and sufficient application for the renewal of a license or a new license with reference to

any activity of a continuing nature, the existing license shall not expire until such application has been finally determined by the agency, and, in case the application has been denied or the terms of the new license limited, until the last day for seeking review of the agency order, or such later date as may be fixed by the order of the reviewing court.

(3) No revocation, suspension, annulment or withdrawal of any license is lawful unless, prior to the institution of agency proceedings, the agency has sent notice by certified mail to the licensee of individual facts or conduct which warrant the intended action, and the licensee has been given an opportunity to show compliance with all lawful requirements for the retention of such license, except where:

(a) the agency finds that the public health, safety or welfare imperatively requires emergency action, and incorporates a finding to that effect in its order, summary suspension of a license may be ordered pending proceedings for revocation or other action, which proceeding shall be promptly instituted and determined;

(b) the agency's order is expressly required, by a judgment or a statute, to be made without the right to a hearing or continuance of any type.

Section 21. (1) Any person aggrieved by a final decision in a contested case is entitled to judicial review thereof under this Act. Nothing in this section shall be deemed to limit utilization of trial de novo review where provided by statute, but this section shall provide an alternative means of review in those cases.

Any preliminary, procedural, or intermediate agency Act or ruling shall be immediately reviewable in any case in which review of the final agency decision would not provide an adequate remedy.

(2) Proceedings for review shall be instituted by filing a Petition For Review in the Franklin Circuit Court, unless a different place of review is expressly provided by statute, within thirty days after the service of the final decision of the agency or, if a rehearing is held, within thirty days after the decision thereon. Copies of the petition shall be served upon the agency and all other parties of record.

(3) The filing of the petition shall not stay enforcement of the agency decision; but the agency may do so, or the reviewing court may order a stay upon such terms as it deems proper.

(4) Within thirty days after the service of the petition, or within such further time as the court may allow, the agency shall transmit to the reviewing court the original or a certified copy of the entire record of the proceeding under review; but, by stipulation of all parties to the review proceedings, the record may be shortened.

Any party unreasonably refusing to stipulate to limit the record may be taxed by the court for the additional costs. The court may require or permit subsequent corrections or additions to the record when deemed desirable.

(5) If, before the date set for hearing, application is made to the court for leave to present additional evidence to the issues in the case, and it is shown to the satisfaction of the court that the additional evidence is material and that there were good reasons for failure to present it in the proceeding before the agency, the court may order that the additional evidence be taken before the agency upon such conditions as the court deems proper. The agency may modify its findings and decision by reason of the additional evidence and shall file with the reviewing court, to become a part of the record, the additional evidence, together with any modifications or new findings or decision.

(6) The review shall be conducted by the court without a jury. In the absence of an express provision in this section, the applicable Rule of Civil Procedure shall be followed. The review shall be confined to the record, except that in cases of alleged irregularities in procedure before the agency, not shown in the record, testimony thereon may be taken in the court. The court shall, upon request, hear oral argument and receive written briefs. The review shall be given precedence over other civil cases on the docket, except those given equal status by statute.

(7) Except where trial de novo is provided, the court shall not substitute its judgment for that of the agency as to the weight of the evidence on questions of fact; but it may affirm the decision of the agency or remand the case for further proceedings, or it may reverse or modify the decision if the substantial rights of the appellant have been prejudiced because the administrative findings, inference, conclusions, or decisions are:

(a) in violation of constitutional or statutory provisions; or

(b) in excess of the statutory authority or jurisdiction of the agency; or

(c) made upon unlawful procedure; or

(d) affected by other error of law; or

(e) clearly erroneous on the basis of the reliable, probative, and material evidence contained in the whole record; or

(f) arbitrary or capricious or characterized by abuse of discretion or clearly unwarranted exercise of discretion.

Section 22. Any aggrieved party may obtain a review of any final judgment of any circuit court under this Act by appeal to the Court of Appeals. Such appeal must be filed within thirty days, shall be docketed at once and may be given precedence over civil appeals, except those given equal status by statute. Otherwise such appeal may be taken in the manner provided by law for appeals from the circuit courts in other civil cases.

Section 23. If any part of this Act shall be found to be in conflict with federal requirements which are a condition precedent to the allocation of federal funds to the state, such conflicting part of this Act is hereby declared to be inoperative solely to the extent of such conflict and with respect to the agencies directly affected. However, such findings or determinations shall not affect the operation of the remainder of this Act in its application to the agencies concerned.

Section 24. No subsequent legislation shall be held to supercede or modify this Act except to the extent that such legislation does so expressly.

HB 307, AN ACT relating to credit unions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 290.100 of the Kentucky Revised Statutes is amended to read as follows:

Credit unions shall be under the supervision of the Commissioner and shall make financial reports to him as and when he may require, but at least annually. Each credit union shall be subject to examination by, and for this purpose shall make its books and records accessible to, any persons designated by the Commissioner. The Commissioner shall fix a scale of examination fees to be paid by credit unions, giving due consideration to the time and expense incident to such examinations, and to the ability of credit unions to pay such fees, which fees shall be assessed and paid by each credit union promptly after the completion of such examination.

[(1) Each credit union shall be examined once each year, or oftener if the director of banking deems it necessary. The examiners shall be given free access to all books, papers, securities and other sources of information in respect to the corporation, if the director of banking so orders. For the purposes of examination, the director of banking, or his duly authorized deputy, may subpoena witnesses and documentary evidence, and examine such witnesses on oath and such documents.

(2) Each credit union shall pay to the department an examination fee based upon the gross asset value of the corporation, in accordance with the following schedule:

Assets	Fees
$ 5,000 and under	$ 15.00
5,000 to $ 15,000	20.00
15,000 to 25,000	30.00
25,000 to 100,000	50.00
100,000 to 200,000	60.00
200,000 to 500,000	100.00
500,000 and over	125.00

An additional fee of $10 shall be paid by any credit union, the books of which are not balanced to a date within sixty days prior to the examination.]

Section 2. Section 290.230 of the Kentucky Revised Statutes is amended to read as follows:

(1) A credit union may make loans, including temporary loans, to its members for the provident and productive purposes, and upon such security and terms as the by-laws provide. [Additional security must be taken for that part of any loan which is in excess of the total of (a) the amount of shares pledged by the member, and (b) three hundred dollars. Endorsement of a note or assignment of shares shall be deemed security within the meaning of this section, but such security shall not be qualified until after approval by the credit committee.] *No loan shall be made to any member which causes such member to become indebted to the credit union in an aggregate amount, upon loans made to such member, which is in excess of two hundred dollars or ten per centum of the credit union's paid-in unimpaired capital and surplus, whichever is greater, or in excess of $750 unless such excess over $750 is adequately secured. For the purposes of this section, an assignment of shares or the endorsement of a note shall be deemed security.*

(2) A member who needs funds with which to purchase necessary supplies for current crops may receive a loan payable in periodic payments rather than fixed monthly installments.

(3) No officer, member of the board of directors, or member of the credit or supervisory committee shall borrow more than the amount of his investment in the credit union, as represented by fully paid shares, accumulated dividends and deposits, unless so authorized by the members of the credit union at an annual meeting, or at a special meeting called for such purpose, except that any director, or member of a credit committee or a supervisory committee may borrow *up to the unsecured loan limit applicable to all members without authorization from the members* [not more than three hundred dollars from the credit union without security]. If an application for a loan is made by a member of the credit committee, then the supervisory committee shall appoint a substitute to act in the place of the prospective borrower in the consideration of such loan. No

director, officer, or member of the credit or supervisory committee shall become an endorser for a borrower, unless so authorized by the members of the credit union at an annual meeting, or at a special meeting called for that purpose.

(4) A borrower may repay the whole or any part of his loan on any day that the office of the credit union is open for business.

(5) No officer or member of a committee shall knowingly permit or participate in making a loan of the funds of a credit union to a non-member, the credit union may recover such illegal loan from the borrower, or from any officer or any member of a committee who knowingly committed or participated in the making thereof, or from all of them jointly.

Section 3. Section 290.250 of the Kentucky Revised Statutes is amended to read as follows:

(1) Annually or semi-annually, as the by-laws may provide, and after provision for the required reserves, the board of directors may declare a dividend to be paid from the remaining net earnings. Such dividend shall be paid on all fully paid shares outstanding at the end of the period for which the dividend is declared. Shares which become fully paid during such dividend period and are outstanding at the close of the period shall be entitled to a proportional part of such dividend. Dividend credit for a month may be accrued on shares which are or become fully paid during the first five days of that month.

(2) The board of directors may, as of any dividend date, authorize an interest refund to members of record in proportion to interest on loans paid by the member for the period preceding the interest refund date. [At the close of the fiscal year a credit union may declare a dividend from the net earnings. Dividends shall be paid on all fully paid shares outstanding at the close of the fiscal year, but shares that become fully paid during the year shall be entitled to a proportional part of the dividends, calculated from the first day of the month following such payment in full.]

Amend printed copy of House Bill 307 on page 3, line 20, by:

Deleting the words "'accumulated dividends and deposits," and substituting the phrase "and accumulated dividends," in lieu thereof, and on page 5 following line 9, insert the following:

Section 4. Section 290.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) Shares may be issued [and deposits received] in the name of a minor and such shares [and deposits] may be withdrawn by such minor and payments made on such withdrawals shall be valid.

(2) If the shares are held [or deposits are made] in trust, the name and residence of the beneficiary shall be disclosed and the

account shall be kept in the name of the holder as trustee for such person. Such shares [and deposits] may, upon the death of the trustee be withdrawn by the person for whom the shares were held [or for whom such deposits were made], or by his legal representative.

Section 5. Section 290.190 of the Kentucky Revised Statutes is amended to read as follows:

A credit union may receive the savings [and deposits] of its members only in such amounts and upon such terms as the board of directors determine and the by-laws provide.

Section 6. Section 290.200 of the Kentucky Revised Statutes is amended to read as follows:

(1) A credit union may lend its funds to its members at rates of interest not exceeding one percent per month on the unpaid balance of the loan, which amount shall be in lieu of all other charges incident to the making of the loan, except fines for delinquent payments, and in case of secured loans, premiums incurred in the carrying of insurance against the loan, mortgage recording fees, title examination fees, and such other reasonable charges as are necessarily incident to the effective protection of the loan by the security offered.

(2) In the case of a temporary loan, a credit union may charge a fee of twenty-five cents when a loan is in an amount of twenty-five dollars or less, and a fee of fifty cents when the loan is in an amount more than twenty-five dollars.

(3) *The legal rate of interest provided by KRS 360.010 shall apply to any loan secured by first lien or first mortgage on real estate and no greater rate of interest shall be charged on such loans.*

Section 7. Section 290.210 of the Kentucky Revised Statutes is amended to read as follows:

If the by-laws so provide a credit union may rediscount, as provided in KRS 290.260, or may borrow money from any source in addition to receiving *savings* [deposits] as indicated in KRS 290.190, but the aggregate amount of rediscounts and borrowings shall at no time exceed the total of the capital, surplus and reserve fund of the borrowing credit union.

Section 8. Section 290.220 of the Kentucky Revised Statutes is amended to read as follows:

In addition to the manner provided in KRS 386.030, the capital [deposits,] undivided profits, reserve fund and other assets of a credit union, to the extent such resources are not utilized for loans to members as provided in this chapter, may be invested in the following ways:

(1) They may be deposited to the credit of the corporation in state credit unions; state or national banks doing commercial banking;

Federal credit unions operating in Kentucky; and in savings and loan associations;

(2) Not more than ten percent of the capital stock and reserve funds of a credit union may be invested in the stock of other credit unions, including Federal credit unions operating in Kentucky;

(3) They may only be invested in:

(a) Bonds and other interest-bearing obligations of the Federal Government;

(b) Bonds, state warrants and other interest-bearing obligations of this state;

(c) Securities authorized by the Federal Farm Loan Act; as amended;

(d) Bonds and obligations of the Home Owners' Loan Corporation, Federal Farm Mortgage Corporation, or the Federal Intermediate Credit Bank;

(e) Notes and bonds secured by mortgage or trust deed insured by the Federal Housing Administrator, obligations issued or insured by the Federal Housing Administrator, and securities issued by National Mortgage Associations.

HB 436, AN ACT relating to claims against the Commonwealth of Kentucky.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In enacting this Act, it is the expressed intent of the General Assembly to formulate an exception to the one year statute of limitations in which a claim against the Commonwealth must be presented before the Board of Claims. Facts have been found by the General Assembly which clearly prove that this one year statute of limitations works inequities and hardships against a certain class of citizens of this Commonwealth due to the following reasons. The Court of Appeals has recently held that the General Assembly cannot, by act or resolution, give an individual permission to sue the Commonwealth due to the fact that a general remedy has been provided by KRS 44.070 to 44.170, and due to the fact that subsequent to this opinion of the Court, the amount recoverable under the provisions of KRS 44.070 to 44.170 has been increased. This Act is passed with the intent to correct the inequities that have resulted.

Section 2. Section 44.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) A claim must be presented to the board within one year from the time it shall have accrued; except that any claim that accrued between March 1, 1956, and July 1, 1957, may be presented up to and including June 30, 1958.

(2) The provisions of subsection (1) of this section shall not be applicable to any person who was diligently pursuing his remedies in the courts of this Commonwealth prior to the holding of the Court of Appeals in 1958 to the effect that the courts of this Commonwealth may not render a judgment against the Commonwealth due to the general remedy provided in KRS 44.070 to 44.170.

(3) Any person who qualifies under the provisions of subsection (2) of this section may, within a period of one year from the effective date of this Act, present his claim before the Board of Claims as provided in KRS 44.070 to 44.170.

SR 61, A JOINT RESOLUTION directing the Department of Economic Development to make a study of planning and zoning and matters relating thereto, and making an appropriation therefor.

WHEREAS, planning and zoning can effectively guide the orderly growth of the Commonwealth and its cities and counties; and

WHEREAS, such orderly growth is essential to the maximum utilization of the Commonwealth's agricultural, mineral, economic and human resources; and

WHEREAS, in recognition of this fact a Joint Resolution of the 1960 General Assembly directed that a study be made to determine the desirability of altering the form, scope, operation and administration of existing laws relating to planning and zoning; and

WHEREAS, the results of the study were made the subject of a report to the 1962 General Assembly; and

WHEREAS, the report of the Advisory Committee on Planning and Zoning recommended that funds be made available to the Department of Economic Development for a statewide study of planning and zoning; and

WHEREAS, Federal matching funds for such a study are available to the Department of Economic Development as the Commonwealth's official planning agency.

NOW, THEREFORE,

Be it resolved by the General Assembly of the Commonwealth of Kentucky:

Section 1. That the Department of Economic Development is directed to conduct a comprehensive study of planning and zoning enabling legislation and to submit a detailed report of its findings, which may include recommended changes to the Commonwealth's existing legislation, to the 1964 Regular Session of the General Assembly.

Section 2. That to this end the Department of Economic Development is to seek the cooperation of the Advisory Committee on Planning and Zoning, the Legislative Research Commission, other state agencies, local officials, and interested citizens.

Section 3. To carry out the purposes of this resolution, there is appropriated to the Department of Economic Development, out of the General Expenditure Fund, the sum of $17,500, which sum shall be available during the 1962-1964 fiscal years.

HB 118, AN ACT relating to judicial districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The preamble and subsection (12) of Section 23.050 of the Kentucky Revised Statutes is amended to read as follows:

The regular term of each court shall commence in each county at the following named time, and continue, if the business requires it, the number of days hereinafter prescribed:

(12) Anderson County, at Lawrenceburg, on the second Monday in March, the third Monday in June and the fourth Monday in November, twelve juridical days each.

Trimble County, at Bedford, on the *first* [second] Monday in January, *twelve juridical days;* the second Monday in April, *six juridical days;* and the first [second] Monday in September, *twelve* [six] juridical days [each].

Oldham County, at LaGrange, on the fourth Monday in February, the fourth Monday in May and the fourth Monday in October twelve juridical days each.

Shelby County, at Shelbyville, on the first Monday in February, the first Monday in May and the first Monday in October, eighteen juridical days each.

Spencer County, at Taylorsville, on the fourth Monday in March, twelve juridical days; on the second Monday in June, six juridical days; on the second Monday in November, twelve juridical days.

Trimble County, at Bedford, on the *first* [second] Monday in January, the *first* [second] Monday in April, and the *first* [second] Monday in September, *twelve* [six] juridical days each.

SB 356, AN ACT relating to the compensation payable to certain state offices and positions.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (2) of Section 64.640 of the Kentucky Revised Statutes is amended to read as follows:

(2) The Governor shall set the compensation payable out of the State Treasury to each office or position in the state service hereinafter named. [but such compensation shall not exceed the maximum sums listed herein:] *Such compensation shall be based upon studies of the duties and responsibilities of the positions and upon a comparison with compensation being paid for similar or comparable services elsewhere.*

(a) Adjutant General, Commissioner of Alcoholic Beverage Control, Executive Director of the State Tuberculosis Sanatoria Commission, *Commissioner of Child Welfare,* Commissioner of Conservation, Commissioner of *Commerce,* [Economic Development] Commissioner of Economic Security, Commissioner of Finance, Commissioner of Health, Commissioner of Highways, [Commissioner of Mental Health] Commissioner of Public *Information,* [Relations] Commissioner of Public Safety, Commissioner of Revenue, Commissioner of Banking *and Securities,* Commissioner of Insurance, Commissioner of Motor Transportation, Commissioner of Personnel, Commissioner of *Corrections,* [Welfare] *Commissioner of Mines and Minerals.* [$12,000]

(b) Administrator of Distilled Spirits Unit, Administrator of Malt Beverages Unit, [Chief of the Department of Mines and Minerals] Commissioner of Aeronautics, Commissioner of Fish and Wildlife Resources, Commissioner of Industrial Relations, Director of the [Kentucky Crippled Children's] Commission *for Handicapped Children,* Manager of the Kentucky State Fair, Reviser of Statutes, Chairman of the Public Service Commission. [$10,000]

(c) Members of the Public Service Commission of Kentucky, other than the chairman, [$9,000;] members of the Workmen's Compensation Board, the provisions of KRS 64.660 to the contrary notwithstanding, and heads of statutory departments and agencies other than those named in paragraphs (a) and (b) of this subsection. [$7,500.]

Section 2. This Act becomes effective July 1, 1962.

SB 355, AN ACT relating to the procreation of the human species.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act may be known as the Procreation Safeguarding Act of 1962.

Section 2. As used in this Act unless the context otherwise requires:

(1) "Sterilization or asexualization" means the operation of hysterectomy or oophorectomy or vasectomy or such other operations or medical treatment designed to prevent the person from procreating.

(2) "Person" means any man, woman or child.

(3) "Artificial birth prevention" means any surgical or medical interference with the reproductive process designed to prevent the person from procreating.

(4) "Sound and well accepted medical principles" means generally well known and accepted medical principles as distinguished from private medical opinion.

Section 3. The sterilization or asexualization of any person for the purpose of effecting artificial birth prevention is prohibited.

Section 4. (1) Nothing in this Act shall be construed as to prevent the medical or surgical treatment (including the operations or treatment described in Section 2 of this Act) for sound therapeutic reasons of any person in this state, by a physician or surgeon licensed in this state, which treatment or surgery could involve the prevention of procreation through direct or incidental nullification or destruction of the reproductive functions, or the removal or resection of the reproductive organs when necessary to safeguard the health of the whole body in accordance with sound and well accepted medical principles.

(2) Nothing in this Act shall permit the sterilization or asexualization of any person having mental or nervous diseases or deficiencies where there is absent any disease of the reproductive organs such as to endanger the health of the whole body.

Section 5. Any person who violates any of the provisions of this Act shall be fined three thousand dollars or imprisoned for a period of three years, or both. If the violator is a surgeon or a physician his license shall also be revoked.

HB 318, AN ACT relating to urban renewal and redevelopment.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 99.390 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person, firm, corporate organization, public officer or governmental agency or department, being a party of record at any hearing conducted by the agency in connection with the designation of a redevelopment project [or any such person or entity] which has applied for a building permit or certificate of occupancy under KRS 99.380, claiming to be injuriously affected or aggrieved by [any action of, or decision by; or] refusal of the agency to approve such permit or certificate, may appeal from such action [or decision] to the circuit court of the county wherein the agency is located, and jurisdiction is hereby given to such circuit court to hear and determine

all questions and issues brought before it on such appeal. An appeal shall stay all action by all parties of record in the matter appealed from. Such appeal shall be taken within thirty days after notice of such action or decision has been given by the agency to the party affected by the decision of said agency, by filing in the office of the clerk of the circuit court of such county a statement of appeal, setting forth the action or decision of the agency appealed from, the date thereof, the reasons for said appeal, and attaching thereto as a part thereof a certified copy of such action or decision and asking that an order to show cause be issued against and served upon the agency[.] *as to why such building permit or certificate or occupancy should not be issued.* [But the foregoing remedy shall not be exclusive.]

(2) After the appeal is taken the procedure shall be the same as in common law actions, except that said appeals shall have preference over other cases on the docket and may, upon the motion of any party, be set down for trial in advance of other cases. Upon filing an appeal, notice thereof must be immediately given to the agency and all parties of record, by actual notice served or by service of summons. Hearings in the circuit court shall be de novo and heard by the judge and appeals may be taken from the decision of said circuit court to the Court of Appeals in the same manner as common law cases are appealed, except that all appeals to the Court of Appeals must be made within sixty days from the date of judgment in the circuit court.

HB 369, AN ACT relating to the establishment of cooperative extension service districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. This Act may be cited as the DISTRICT COOPERATIVE EXTENSION SERVICE ACT.

Section 2. In enacting this legislation, it is the intention of the General Assembly to provide for aid in disseminating among the people of Kentucky useful and practical information on subjects relating to agriculture, home economics and rural and community life and to encourage the application of the same in the several counties of the Commonwealth through Extension work to be carried on in cooperation with the University of Kentucky, College of Agriculture and Home Economics, and the United States Department of Agriculture as provided in the Act of Congress May 8, 1914, as amended by Public Law 83 of the 83rd Congress.

Section 3. As used in this Act, unless the context requires otherwise:

(1) "Cooperative Extension Service District" or "Extension District" means the district created by Section 4 of this Act;

(2) "County Cooperative Extension Service Council" or "Extension Council" means the organization created by Section 5 of this Act;

(3) "College of Agriculture" means the College of Agriculture and Home Economics of the University of Kentucky;

(4) "Extension Service" means the Cooperative Extension Service in Agriculture and Home Economics of the College of Agriculture of the University of Kentucky and the United States Department of Agriculture;

(5) "Director of Extension" means the director of the Kentucky Cooperative Extension Service of the College of Agriculture of the University of Kentucky;

(6) "District Cooperative Extension Service Board" or "Extension Board" means the board created by Section 6 and 7 of this Act.

Section 4. There is hereby created for each county an Extension District whose boundaries shall be coexistent with the county boundaries. Each Extension District shall constitute a governmental subdivision of the Commonwealth and a public body corporate.

Section 5. (1) The Director of Extension is hereby authorized to promulgate regulations relating to the establishment of and continuation of Extension Councils. Said regulations may apply to a specific county.

(2) An Extension Council shall be established for each Extension District. Each Extension Council shall be organized under regulations approved by the Director of Extension and shall be comprised of not less than fifteen citizens nor more than forty citizens of the county in which the Extension District is located, subject to the provisions of Section 7 (2) of this Act. All members of the Extension Council shall be appointed by the county groups and organizations of the county whose major interest is in agriculture and home economics such as farm bureaus, homemaker councils, 4-H Club councils and various commodity groups but is not necessarily limited to those mentioned. In event of question the eligibility of a group to appoint to the Extension Council shall be determined by the Director of Extension. The number of members of each Extension Council shall be determined by the size of the county, the diversity of agricultural interests of the county, and other like factors and shall be according to regulations mentioned in Section 5 (1) above. Each Extension Council shall adopt a set of by-laws providing for its operation and terms of membership according to the same regulations.

(3) All regulations issued under the provisions of this section shall be filed in accordance with KRS 13.085. Immediately after fil-

ing, the Director of Extension shall cause the text of every regulation to be published once, in at least one newspaper of general circulation in the county in which the regulation is applicable. The Director of Extension shall also mail two copies of every regulation to the county court clerk of the county in which the regulation is applicable, one copy of which shall be posted on the courthouse door or bulletin board. Additional distribution may be made at the discretion of the Director of Extension.

Section 6. An Extension Board may be created by the fiscal court of the county in which the Extension District is located. The Extension Board, as the governing body of the Extension Council, shall be composed of the county judge and six other citizens residing within the Extension District.

Section 7. (1) Appointment of the six members, other than the county judge, to the Extension Board shall be made by the county judge of the county in which the Extension District is located. These appointments shall be made from nominations submitted by the Extension Council in the county in which said district is located. Said Council to be eligible to submit nominations shall be organized and functioning in accordance with procedures approved by the Director of Extension.

(2) On or before November 1 of each year the Extension Council shall submit to the county judge a list of two nominees for each member to be appointed to the Extension Board. On or before December 1 of each year the county judge shall from this list appoint the required board members. If for any reason the county judge fails to appoint the required members by December 15 of the year in question they may be appointed by the Director of Extension. On the first board two members shall be appointed for terms of three years, two for terms of two years and two for terms of one year. Thereafter, all appointments shall be for terms of three years and shall become effective on the first of January following appointment. Each member shall serve until his successor is appointed and qualified. Appointment of members to fill vacancies shall be in the same manner as those for other members. Board members may be appointed and the first board organized immediately after the effective date of this Act. In this case the period served in 1962 shall be in addition to the regular terms of the members which start on January 1, 1963. Each Board member shall, by virtue of his membership on the Board, become a member of the Extension Council. This membership on the Extension Council may be in addition to the maximum of 40 as listed in Section 5 (2).

Section 8. On or before January 15 following the creation of the Extension Board, the county judge shall call all duly appointed board members together for an organization meeting. The county judge shall serve as chairman until all officers are elected. The officers of the board shall consist of a chairman, vice-chairman, secretary and treasurer. The positions of secretary and treasurer may be held by the same person and this person may be other than a board member, with the approval of the Director of Extension.

Section 9. The Extension Board shall meet annually during the month of January for the election of officers and for the transaction of other necessary business and may hold such other meetings during the year as shall be determined and fixed by the Extension Board.

Section 10. (1) The Chairman of the Extension Board shall preside at all meetings of the board, have authority to call special meetings of said board upon such notice as shall be fixed and determined by the Extension Board, and shall call special meetings of the Extension Board upon the written request of the majority of the members of said board, and in addition to the duties imposed upon him by this Act perform and exercise the usual duties performed and exercised by a chairman or president of a board of directors of a corporation.

(2) The vice-chairman, in the absence or disability of the chairman or his refusal to act, shall perform the duties imposed upon the chairman and act in his stead.

(3) The secretary shall perform the duties usually incident to this office. He shall keep the minutes of all meetings of the Extension Board. He shall sign such instruments and papers as provided for in this Act and as may be required from time to time by the Extension Board.

(4) The treasurer, within ten days after his election as treasurer and before entering upon the duties of his office as treasurer, shall execute to the Extension Board a corporate surety bond of 125 percent of the amount as near as can be ascertained that shall be in his hands as treasurer at any one time. The cost of said corporate surety bond for the treasurer shall be paid out of the District Cooperative Extension Education Funds. After said treasurer executes said corporate surety bond, he shall receive, deposit and have charge of all of the funds of the Extension Board and shall pay and disburse said funds as provided for by the Act and as may be required from time to time by the Extension Board.

(5) All members of the Extension Board shall take and sign the usual oath of public officers.

(6) Each of the officers of the Extension Board shall perform and carry out the duties as provided for in this section and shall perform and carry out such other duties as shall be required of them from time to time by the Extension Board.

Section 11. The Extension Board of each Extension District shall have the following powers and duties:

(1) To serve as an agency of the Commonwealth and to manage and transact all of the business and affairs of its district and have authority to acquire property necessary for the conduct of the business of the district for the purposes of this Act;

(2) To enter into an annual memorandum of agreement with the Extension Service and the Extension District. This memorandum of agreement shall set forth the policy pertaining to (1) appointment of personnel to serve in the district, (2) financing of Extension work in the district, and (3) responsibilities of the cooperating parties in planning and executing the program;

(3) To, and shall as soon as possible following the first meeting in which the officers are elected and annually thereafter, file in the office of the county clerk a certificate signed by its chairman and secretary, certifying the names, addresses and terms of office of each member and the names and addresses of the officers of the Extension Board with the signatures of the officers affixed thereto, and said certificate shall be conclusive as to the organization of the Extension District, its Extension Board and as to its members and its officers;

(4) With the advice of the Extension Council to make and adopt such rules and regulations not inconsistent with the law as it may deem necessary for its own government in the transaction of the business of the Extension District;

(5) To cooperate with the Extension Service and the Extension Council in conducting an Extension program in agriculture, home economics, youth work and related subjects in the Extension District. Said program shall be planned and executed upon the advice, recommendations and assistance of the Extension Council with the Board to make final decisions;

(6) To cooperate with other Extension Districts in the employment of personnel, conduct of programs and sponsorship of activities for the mutual benefit of each;

(7) To cooperate with all Extension organizations, farm organizations, state and federal agencies, civic clubs, and any other organizations who may be interested in and willing to cooperate in conducting the Extension programs in the Extension District;

(8) To prepare annually not later than April 15 of each year in cooperation with the Director of Extension an Extension District budget for the ensuing year. This budget shall be prepared with consideration being given to the advice and recommendations of the Extension Council, must be consistent with financing policies of the Extension Service and shall reflect the agricultural, home economics, youth and related subject matter needs of people in the Extension District;

(9) To deposit all District Extension Education Funds in a bank or banks approved by it in the name of the Extension District. These

receipts shall constitute a fund known as the District Cooperative Extension Education Fund which shall be disbursed by the treasurer of the Extension Board in accordance with the annual budget and the annual memorandum of agreement between the board and the Extension Service;

(10) To, from time to time, when necessary and on approval of the fiscal court borrow such funds as may be required to meet the financial obligations of the Extension District; provided, however, that the Extension Board can not in any fiscal year incur indebtedness in an amount which would be in excess of the anticipated revenue of said district for the fiscal year. The amount of the anticipated revenue shall be certified to said Board by the fiscal court of the county in which the district is located;

(11) To expand the District Cooperative Extension Education Fund for salaries and travel expense of Extension personnel, rental, office supplies, equipment, communications, office facilities, services, and property acquisition and in payment of such other items as may be necessary to carry out the Extension District program;

(12) To carry over unexpended District Cooperative Extension Education Funds into the next fiscal year so that funds will be available to carry on the program, provided, however, that such anticipated carry-over funds shall be taken into consideration in the formulation of the Extension District budget for the ensuing year;

(13) To file with the county fiscal court or Board of Commissioners and Directors of Extension and to publish in one newspaper of general circulation in the county before October 1 of each year a report under oath of all receipts and expenditures of such District Cooperative Extension Education Funds showing from whom received, to whom paid and for what purpose for the last fiscal year;

(14) To be remunerated from the District Cooperative Extension education fund for actual expenses incurred in the performance of services for the Extension District; provided, however, that payments for expenses must be approved by the Extension Board;

(15) To accept contributions from fiscal courts and boards of education for use in conducting Extension work in the Extension District as provided for under KRS 247.080;

(16) To accept private funds for use in conducting Extension work in the Extension District; provided, however, that the acceptance of all such contributions must be approved by the Director of Extension; and

(17) To collect reasonable fees for specific services which require special equipment or personnel such as soil testing services, seed testing services or other services in support of the educational program of the Extension District.

Section 12. (1) The Extension Board and all persons employed in the Extension District shall in planning and executing the Extension program provide opportunities for all citizens of said district regardless of race, creed or status to cooperate with and receive free the educational benefits from such programs.

(2) No near relative of a member of an Extension Board may be employed in Extension work in the Extension District in which the member is serving.

(3) Extension Districts shall not engage in commercial activities or enterprises except as provided for in Section 11 (17) of this Act.

(4) No member of the Extension Board, excepting the county judge, shall at the same time serve in any elective office in the county, city, state or federal governments.

Section 13. (1) Following the preparation of the budget provided for in Section 11 (8) of this Act the Extension Board shall present the budget to the fiscal court of the county in which the Extension District is located. The fiscal court may accept or reject the budget, in whole or in part, subject to the provisions of KRS 247.300. If the fiscal court accepts the budget, and if the fiscal court is unable to provide all or any part of the funds of the budget under the provisions of KRS 247.080, the fiscal court is empowered to levy a tax for said funds.

(2) This tax shall be known as the District Cooperative Extension Education Tax and shall be levied on all property assessed for taxation in the Extension District subject to the full county rate.

(3) The taxes authorized by this section shall be collected in the same manner as are other county ad valorem taxes and shall be turned over to the Extension Board as the governing body of the taxing district. This tax shall be limited to a rate which will, based on current property assessments, provide revenue in an amount sufficient to meet the proposed expenditures of the Extension District for the ensuing year; provided, however, that in no Extension District can said tax be set at a rate which will yield annual revenue in excess of the following amounts: In counties with assessments of—

500 million and above	$75,000
100 million and under 500 million	50,000
50 million and under 100 million	25,000
25 million and under 50 million	15,000
15 million and under 25 million	10,000
10 million and under 15 million	7,500
Under 10 million	5,000

In addition to the above limitations, in no Extension District shall the tax exceed seven cents on each one hundred dollars of the assessed valuation of all property in the district.

(4) All or any portion of the District Extension Budget may be financed from a District Cooperative Extension Education Tax and/or by contributions from other sources.

Section 14. All revenues realized from a District Cooperative Extension Education Tax shall be due and payable to the duly elected treasurer of the Extension Board on or before the fifteenth of each month following collection.

Section 15. The Extension Board is specifically directed to cooperate with the Extension Service and the United States Department of Agriculture in the accomplishment of the District Cooperative Extension Education Program contemplated by this Act. To the end that the state and federal funds allocated to the Extension Service and the Cooperative Extension Education Fund of each district may be more efficiently used by the Extension Service and the Extension Board, the Director of Extension shall coordinate the Cooperative Extension Education Programs in the several Extension Districts.

SB 349, AN ACT relating to unemployment compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 341.460 of the Kentucky Revised Statutes is repealed.

SB 368, AN ACT proposing an amendment to the Constitution of Kentucky relating to continuity of state and local government operations in periods of emergency resulting from disasters caused by enemy attack or the anticipated effects of a threatened enemy attack.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Constitution of the Commonwealth of Kentucky is proposed to be amended by the ratification of a new section, to read as follows:

Notwithstanding any other provision of this Constitution, the General Assembly, in order to insure continuity of state and local governmental operations in periods of emergency resulting from disasters caused by enemy attack or the anticipated effects of a threatened enemy attack, shall:

(1) Provide for prompt and temporary succession to the powers and duties of public offices, of whatever nature and whether filled by election or appointment, the incumbents of which may become unavailable for carrying on the powers and duties of such offices; and

(2) Adopt such other measures as may be necessary and proper for insuring the continuity of governmental operations.

Section 2. This amendment shall be submitted to the voters of the Commonwealth for their ratification or rejection at the time and in the manner provided for under Sections 256 and 257 of the Constitution and under Sections 118.170 and 118.430 of the Kentucky Revised Statutes.

SB 367, AN ACT proposing an amendment of Section 246 of the Constitution of Kentucky relative to compensation of public officers and employees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. It is proposed that Section 246 of the Constitution of Kentucky be amended to read as follows:

The General Assembly shall limit the maximum compensation of all public officers and employees.

Section 2. This proposed amendment shall be submitted to the voters of the Commonwealth for their ratification or rejection at the time and in the manner provided in Sections 256 and 257 of the Constitution and in Sections 118.170 and 118.430 of the Kentucky Revised Statutes.

SB 351, AN ACT relating to parks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Chapter 148.540 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Parks shall exercise all administrative functions of the state relating to the operation of parks, shrines, monuments, and museums except those allocated to the Historical Society.

(2) All of the functions of the Division of Parks relating to acquiring park property; improving and operating parks, fixing fees and charges for the use of parks; establishing and posting regulations; and commissioning park custodians and employes as peace officers, provided in KRS 148.010, 148.020, 148.030, 148.040, 148.055, 148.060, 148.070, and 148.085 are hereby transferred to and shall be exercised by the Department of Parks.

(3) The Department of Parks is authorized to cooperate with counties, cities, and other political subdivisions of the Commonwealth and with civic and other public service organizations in the planning and promotion of recreational activities.

(4) *The Department of Parks is authorized to enter into any agreements with the Breaks Interstate Park Commission for the operation of any facilities in the Breaks Interstate Park.*

(5) The Department of Parks is authorized to accept on behalf of the state any grant or contribution, federal or otherwise, to assist in meeting the cost of carrying out the functions assigned to the Department of Parks in KRS 148.510 to 148.550.

(6) The Commissioner of Parks may employ or contract with such other persons, firms or corporations as he may deem necessary or desirable to accomplish the duties and functions assigned by law to the Department of Parks; may fix the compensation and the terms of employment or contract of those employed or contracted with; and may assign to them such duties and responsibilities as he may determine; provided, however, that any contract shall be approved by the Commissioner of Finance before it shall become effective.

SB 366, AN ACT relating to bounty for fox.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Fiscal courts may offer a bounty of not more than fifty cents per fox, for each fox killed within the county. The fiscal courts may fix in the order offering the bounty the terms and conditions upon which the bounty will be paid. The payments of the bounty shall be made from funds derived from the general tax levy of the county.

Calendar

SB 48, HB 172, HB 183, HB 419, HB 364, HB 334, HB 397, SB 348, SB 337, SB 345, SB 194, SB 322, HB 97, SB 245, HB 388, SB 274, SB 352, SB 55 (Committee Substitute), **SB 234, HB 194, SB 329, SB 330, HB 297, SB 291, HB 240, HB 309, SB 148, HB 280** taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected.

Orders of the Day

HB 9, with Committee Amendment attached thereto, having been made a Special Order, was ordered read at length for the third time. Senator Ware moved that **HB 9** be read by title only. Agreed by a majority of members elected.

Senator Ware moved the adoption of the Committee Amendment to **HB 9**. Agreed.

Senator Ware moved the Previous Question on **HB 9**, as amended. Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

HB 9 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 9**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HB 476 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 476.** Agreed.

On roll call, the vote was yeas 31—Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 476 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 476** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 304 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator .Buckman moved the Previous Question on **SB 304.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Fuqua, Gardner, Garnett, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 304 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 304** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 299 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 299.** Agreed.

On roll call, the vote was yeas 28—Bishop, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Fuqua, Gardner, Garnett, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Miller, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 299 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 299** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 196 taken from the Clerk's desk.

Senator Raney offered Amendment #4 to **SB 196** and moved its adoption.

Said Amendment #4 to **SB 196** is as follows:

Amend printed copy of Senate Bill 196 on pages 1, 2, and 3, by: striking out all language after the enacting clause and substituting therefor the following words and figures to wit:

Section 1. Section 337.365 of the Kentucky Revised Statutes is amended to read as follows:

(1) Employers shall provide and grant female employes rest periods of at least ten minutes duration during each four hours of employment. The rest periods, as far as practical, shall be allowed during the middle of each four hour period. Lunch periods or any portion thereof shall not be considered rest periods for the purpose of satisfying this section. No reduction in compensation shall be made for the rest periods required by this section. The provisions of this section shall not be construed to apply to a female employed in any establishment where only two females are normally required or employed.

Section 2. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) Section 337.370 and 337.380 of the Kentucky Revised Statutes as amended by Sections 3 and 4 of this Act shall not apply to domestic servants in private homes; females who are engaged in nursing, employes of the Commonwealth or of the United States or political subdivisions of either; or to technical assistants, stenographers and receptionists of professions licensed under the laws of the Commonwealth of Kentucky.

(2) Sections 337.370 and 337.380 of the Kentucky Revised Statutes shall not apply during any period of a National or State emergency as declared by the President of the United States or the Governor of the Commonwealth of Kentucky.

Section 3. Section 337.370 of the Kentucky Revised Statutes is amended to read as follows:

No female under twenty-one years of age shall be permitted to work at any gainful occupation more than forty-eight hours in any one week, nor more than nine hours in any one day.

Section 4. Section 337.380 of the Kentucky Revised Statutes is amended to read as follows:

No adult female shall be permitted to work in any gainful occupation more than forty-eight hours in any one week nor more than nine hours in any one day except, during a period or periods not to exceed sixteen weeks in any one calendar year, in those industries determined by the Commissioner of the Department of Industrial Relations to be dependent upon or normally engaged in an operation requiring seasonal periods of peak employment, in such cases the Commissioner of the Department of Industrial Relations shall issue a certificate of waiver to the employer upon a showing of a reasonable necessity for same. Any party aggrieved by the ruling of the Commissioner may appeal de novo to the circuit court in the county in which the establishment is located.

Section 5. A new section of the Kentucky Revised Statutes is created to read as follows:

(1) No female shall be permitted to work for more than five hours continuously without an interval of at least thirty minutes for a lunch period, and no period of less than thirty minutes shall be deemed to interrupt a continuous period of work.

(2) Any employer who violates this section shall be fined not less than ten dollars nor more than fifty dollars.

Section 6. Section 337.410 of the Kentucky Revised Statutes is amended to read as follows:

It shall be the duty of the Commissioner of the Department of Industrial Relations to administer the provisions of Section 5 of this Act and KRS 337.365 to KRS 337.400 and the Commissioner or his authorized representative shall investigate alleged violations of Section 5 of this Act and KRS 337.365 through 337.400, and upon being convinced that a violation has occurred to file an affidavit alleging said violation with proper court in the county in which the violation has occurred.

The President ordered a roll call on Senator Raney's motion.

On roll call, the vote was yeas 24—Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Nichols, Palmer, Raney, Turner, Ware, White. Nays 7—Bishop, Duncan, Gardner, McGinty, Martin, Overbey, Swope.

Senator Raney moved the Previous Question on **SB 196**, as amended.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Nichols, Palmer, Raney, Turner, Ware, White. Nays 3—Kelly, Overbey, Swope.

Senator Overbey moved to amend the Title to **SB 196** to read the "Owen Kerth Act." Agreed.

SB 196 was passed and the title agreed to.

Senator Raney moved that the vote by which **SB 196** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 213 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garnett moved the Previous Question on **SB 213.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Garnett, Garrett, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Logan.

SB 213 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 213** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 214 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 214.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

SB 214 was passed and the title agreed to.

Senator Garnett moved that the vote by which **SB 214** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 298 taken from Orders of the Day.

Senator Kinkead moved that **SB 298** retain its place in the Orders of the Day. Agreed.

SB 182 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Raney offered Amendment #1 to **SB 182** and moved its adoption. Agreed.

Amendment #1 to **SB 182** is as follows:

Amend printed copy of Senate Bill 182 on page 1, line 12, page 2, lines 1 and 2, by deleting the sentence "The Commissioner of the Department of Agriculture, Labor and Statistics shall be designated and known as the Commissioner of the Department of Agriculture."

Senator Raney moved the Previous Question on SB 182, as amended. Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 0.

SB 182 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 182** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 315 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Craft moved the Previous Question on **SB 315.** Agreed.

On roll call, the vote was yeas 29—Blue, Bonn, Brand, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Turner, Ware, White. Nays 0.

SB 315 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 315** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 301 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the Previous Question on **SB 301.** Agreed.

On roll call, the vote was yeas 36—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, White. Nays 0.

SB 301 was passed and the title agreed to.

Senator Kelly moved that the vote by which **SB 301** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 224 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead offered Amendment #1 to **SB 224** and moved its adoption. Agreed.

Amendment #1 to **SB 224** is as follows:

Amend printed copy of Senate Bill 224, on page 7, lines 18 to 24, by deleting the lines 18 through 24.

Senator Kinkead offered Amendment #2 to **SB 224** and moved its adoption. Agreed.

Amendment #2 to **SB 224** is as follows:

Amend printed copy of Senate Bill 224 on page 9, line 22, by: deleting the words: "consisting of *five* (seven) members." and inserting in lieu thereof the following words: "consisting of *seven* (five) members." and on line 28 by adding an "s" to the word "member."

Senator Kinkead moved the Previous Question on **SB 224,** as amended. Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Cobb, Conley, Craft, Fuqua, Gardner, Garnett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Miller.

SB 224 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 224,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

HR 56 taken from Orders of the Day and Ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HR 56.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Cobb, Conley, Craft, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

HR 56 was passed and the title agreed to.

Senator Ware moved that the vote by which **HR 56** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 174 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols moved the Previous Question on **SB 174.** Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Bonn, Brand, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Johnson, Kidwell, Kiser, Logan, McCann, McGinty, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware. Nays 0.

SB 174 was passed and the title agreed to.

Senator Nichols moved that the vote by which **SB 174** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 258 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Amendment #1 to **SB 258** and moved its adoption. Agreed.

Amendment #1 to **SB 258** is as follows:

Amend printed copy of Senate Bill 258 on page 1, line 1, by: inserting at beginning of line 1 the words "Section 1." and on page 2 by inserting after line 1 the following:

"Section 2. Section 100.351 of the Kentucky Revised Statutes is amended to read as follows:

(1) The commission may exercise the same powers in relation to the county area as it has in relation to the city [and], municipal, *and planning* area [as provided in KRS 100.350.].

(2) *In counties containing three or more incorporated cities the territorial jurisdiction of the commission over planning, zoning and the subdivision of land shall extend to all unincorporated land within the planning area as such area may be determined by the commission and its jurisdiction in respect thereto shall supersede and be paramount to that of any other city located in the county.*

Section 3. Section 100.320 of the Kentucky Revised Statutes is amended to read as follows:

(1) Cities of the second class and counties containing such cities may establish a planning commission for the city and county area.

(2) Any other incorporated municipality located in a county containing three or more incorporated cities may avail itself of the benefits of KRS 100.320 to 100.490 at any time with the consent of the county and city. Thereafter after the incorporated municipality, and the territory within its boundaries shall be subject to the provisions of KRS 100.320 to 100.490 as set forth in the terms agreed upon.

Section 4. Section 100.010 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 100.320 to 100.990, unless the context requires otherwise:

(1) "Mayor" means the chief elected official of the city whether the official designation of his office is mayor, chairman of the board of trustees or otherwise;

(2) "Legislative body" means the chief legislative body of the city, whether it is a board of aldermen, general council, board of commissioners, or otherwise;

(3) "Streets" includes streets, avenues, boulevards, roads, lanes, alleys, viaducts and other ways;

(4) "Subdivision" means the division of a tract of land into two or more divisions for the purpose, whether immediate or future, of sale or of building development and includes resubdivision;

(5) "County commissioners" means the chief administrative or legislative body of the county;

(6) "Planning area" means the city and adjoining territory which by reason of existing or future development bears relation to the proper growth and development of the city *as it may be determined by the commission and may include the entire county;*

(7) "Commission" means planning commission; [and]

(8) "County area" means the unincorporated area of the county in which the second class city is located [.] *; and*

(9) "Municipal area" means the same as and is synonomous with planning area in counties containing a city of the second class.

Senator Ware moved the Previous Question on **SB 258**, as amended. Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Hehl, Howard, Kelly, Kidwell, Kiser, McCann, McGinty, Martin, Miller, Nichols, Raney, Swope, Turner, Ware, White. Nays 1—Logan.

SB 258 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 258**, as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 259, SB 260, SB 261 taken from the Clerk's Desk.

Senator Ware moved that said bills be recommitted to the Rules Committee. Agreed.

SB 216 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 216.** Agreed.

On roll call, the vote was yeas 26—Bishop, Bonn, Brand, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware, White. Nays 2—Johnson, Logan.

SB 216 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 216** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 347 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 347.** Agreed.

On roll call, the vote was yeas 19—Bishop, Bonn, Brand, Cobb, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Howard, Kidwell, Kinkead, Kiser, McCann, McGinty, Nichols, Ware, White. Nays 6—Gardner, Johnson, Logan, Martin, Overbey, Swope.

SB 347 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 347** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 310 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **SB 310.** Agreed.

On roll call, the vote was yeas 26—Bishop, Bonn, Brand, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Martin, Miller, Nichols, Overbey, Raney, Swope, Ware, White. Nays 1—Johnson.

SB 310 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 310** was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 188 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Bishop offered Amendment #1 to **SB 188** and moved its adoption. Agreed.

Amendment #1 to **SB 188** is as follows:

Amend printed copy of Senate Bill 188 on page 2, by deleting lines 15 through 18. And on page 2, line 19, delete "Section 3" and insert "Section 2."

Senator Bishop offered Amendment #2 to **SB 188** and moved its adoption. Agreed.

Amendment #2 to **SB 188** is as follows:

Amend printed copy of Senate Bill 188 on page 1, line 7 by inserting after the date "1962" the following: "or subsequent thereto."

Senator Bishop moved the Previous Question on **SB 188,** as amended. Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Brand, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Miller, Nichols, Overbey, Raney, Swope, Ware, White. Nays 0.

Senator Craft moved to amend the title to **SB 188** to read: "AN ACT relating to Teachers' Retirement System and making an appropriation and to be known as the 'Fred Bishop Act'." Agreed.

SB 188 was passed and the title agreed to.

Senator Bishop moved that the vote by which **SB 188,** as amended, was passed be reconsidered and that said motion be laid on the table. Agreed.

SB 200 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **SB 200.** Agreed.

On roll call, the vote was yeas 18—Bishop, Bonn, Cobb, Craft, Duffy, Garnett, Hehl, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Overbey, Raney, Swope, Ware, White. Nays 1—Johnson.

SB 200 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 200** was passed be reconsidered and that said motion be laid on the table. Agreed.

Senator Ware moved Suspension of the Rules for the purpose of introducing bills. Agreed.

Introduction of Bills

SB 369, by Senators Johnson and Ware: AN ACT relating to airports.

SB 370, by Senator Ware: AN ACT relating to the audit of the accounts of county officers.

SB 371, by Senator Ware: AN ACT relating to the drilling of water wells for public use and food processing supplies and the licensing of water well drillers.

Senator Ware moved that the Rules be suspended and that the Senate adjourn until 10 a.m., Friday, March 9. Agreed.

FRIDAY, MARCH 9, 1962

FIFTY-FOURTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend Herman M. Bowers, Pastor of the First Baptist Church of Frankfort.

The roll was called. All present except Senators Cobb, Conley and Derickson, who were granted leave of absence on motion of Senator McCann.

Reading of Journal for March 8 dispensed with and the same approved on motion of Senator McCann.

House Message

Announcing passage of **HB 251, HB 252, HB 253, HB 340, HB 358, HB 386, HB 441, HB 444, HB 463, HB 469, HB 471, HB 473, HB 477, HB 479, HB 480, HB 488, HB 500, HB 501, HB 513, HB 520, HB 522, HB 533, HB 536.**

Motions, Petitions and Communications

SR 66, by Senator Gardner: A RESOLUTION by the Senate relating to the Federal Area Redevelopment Program.

WHEREAS, The Federal Area Redevelopment Administration for approximately one year has provided Federal aid to areas with substantial and persistent unemployment; and

WHEREAS, fifteen Kentucky areas meet these requirements namely, Ashland, Paducah, Corbin, Hazard, Hopkinsville, Madisonville, Middlesboro, Harlan, Morehead, Grayson, Danville, Paintsville, Prestonsburg, Pikeville and Richmond; and

WHEREAS, eighty-five counties in Kentucky have been classified by the Federal Area Redevelopment Administration as depressed areas; and

WHEREAS, it was brought to public attention on January 13, 1962, by the Director of the Bureau of Employment Security of the Department of Labor that Kentucky had made little effort to avail itself of the benefits of the Federal program; and

WHEREAS, the Governor announced on March 5, 1962, that he had transferred authority for administering Area Redevelopment projects to the Department of Economic Development; and

WHEREAS, the record of the Department of Economic Development as respects programs presently administered by it makes it abundantly clear that the Area Redevelopment Program will not be expedited or administered in a manner that is necessary to obtain immediate benefits therefrom; and

WHEREAS, it is of paramount importance to the welfare of the Commonwealth of Kentucky that prompt and full advantage be taken to obtain the benefits of the Federal program and that time is of the essence;

NOW, THEREFORE,

Be it resolved by the Senate of the General Assembly of the Commonwealth of Kentucky:

Section 1. That the United States Senators and United States Representatives from Kentucky be and they hereby are requested, as a group, to arrange promptly for a meeting with city and county officials of each city and each county which is entitled to assistance under the Federal Area Redevelopment Program.

Section 2. That the United States Senators and United States Representatives from Kentucky be requested to attend such meeting or as many thereof as possible and to have present such representatives of the Federal government as are familiar with and authorized to advise city and county officials with respect to steps and proceedings necessary promptly to obtain benefits available under the Federal Area Redevelopment Program.

Section 3. That the Clerk of the Senate be and he hereby is authorized and directed forthwith to forward a copy of this Resolution to each member of Congress from Kentucky, including the United States Senators; to the Mayors of each of the cities hereinabove mentioned and to each County Judge of the counties in Kentucky classified as depressed areas.

Senator Gardner moved the adoption of **SR 66.**

The President vacated the chair, the President Pro Tem presiding.

Senator Johnson moved that Senator Gardner's motion to adopt **SR 66** be tabled. The President Pro Tem ordered a roll call on Senator Johnson's motion.

On roll call, the vote was yeas 22—Bonn, Brand, Buckman, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 5—Blue, Gardner, Logan, Martin, Overbey.

The motion to table Senator Gardner's motion to adopt **SR 66** was adopted.

The President Pro Tem vacated the chair, the President presiding.

Senator Logan moved that the Senate go on record that the Joint Investigating Committee request the presence and hear former Governor Earle Clements in rebuttal.

Senator Craft moved to table Senator Logan's motion. Agreed by voice vote.

Recess

Senator Ware moved that the Senate recess until 1 p.m. Agreed. At the appointed hour the President Pro Tem resumed the chair.

Report of Committee

Rules Committee reported **SB 369, SB 370, SB 371, HB 386, SB 361, HB 503, HB 466, HB 187, HB 169, SB 105, SB 344, HB 422, SB 362, HB 479, HB 480, HB 490, HB 457, HB 235, HB 301, SB 305** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 369, AN ACT relating to airports.

WHEREAS, the operation of airports in proximity to settled communities is in the public interest; and

WHEREAS, the control by such airports of the flight of aircraft below minimum altitudes or over affected areas away from the airport is not possible unless same can be promptly identified,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

No action shall be brought against any county, city or airboard for damages, noise abatement or otherwise, arising from the operation of aircraft into or out of an airport unless written notice is given to such county, city or airboard within twenty-four hours of the time within which each such operation occurred. Such notice shall state: (1) the location of the property affected; (2) the hour and minute such operation occurred; and (3), if known, the type of aircraft and general direction of its flight.

SB 370, AN ACT relating to the audit of the accounts of county officers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 43.070 of the Kentucky Revised Statutes is amended to read as follows:

(1) The auditor shall, once in each year, examine the books, accounts and papers of all county officers receiving or disbursing

county funds. The examination shall be made at the same time the Auditor makes the examination for the benefit of the state, and the county shall bear [its proportionate part] *one-half* of the actual expense of the examination.

(2) The county shall bear the actual expenses incurred by the Auditor in examining the accounts of county officials to determine if the monies received by said officials exceed their constitutional or statutory salary limitation.

(3) Within a reasonable time after the completion and distribution of the audit report authorized by Sections (1) and (2) of this Act, the Auditor of Public Accounts shall bill the county for the actual expenses incurred pursuant to Sections (1) and (2) of this Act. A copy of this bill shall be forwarded to the Commissioner of Finance. If the amount billed has not been paid within ninety days from date of billing, the Auditor shall notify the Commissioner of Finance and the Commissioner of Revenue who shall cause said amount to be deducted from the next payment or return of monies provided by KRS 47.110 and 431.110 by the State to the county or counties. Deductions shall continue until the total amount due the Auditor's office has been paid. All monies received pursuant to Sections (1), (2) and (3) of this Act shall be credited to the Trust and Agency account of the Auditor of Public Accounts.

(4) Any controversy over the amount of the bill for the actual expenses incurred shall be submitted to the Commissioner of Finance and the State Treasurer for a decision as to the proper amount. In the event that these two arbitrators fail to agree, then the controversy shall be submitted to the Attorney General whose decision shall be final.

SB 371, AN ACT relating to the drilling of water wells for public use and food processing supplies and the licensing of water well drillers.

WHEREAS, ground water in the Commonwealth of Kentucky constitutes a natural resource with a potential for further development; and

WHEREAS, water wells are used extensively as potable water supplies and, as such, make it imperative that these supplies be developed in an orderly and safe manner, without waste and protected from contamination; and

WHEREAS, the State Department of Health should review for approval all sources of water used for potable water supplies;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Department" means the Kentucky State Department of Health;

(2) "Potable" means drinkable water;

(3) "Water Well Drilling Contractor" means any person, corporation, firm, partnership, association and officers and employees thereof who owns or leases water well drilling equipment and who engages in the drilling, deepening or development of water wells;

(4) "Public Water Supply" means any water supply serving the public irrespective of its ownership or operation and made available for drinking and/or domestic use, including the preparation, processing and production of food for sale to the general public.

Section 2. Commencing with the effective date of this Act all Water Well Drilling Contractors shall be required to register with the Department and obtain a license therefrom, which license shall be renewed annually thereafter.

A fee of $5.00 per unit of well drilling equipment shall be charged by the Department for the issuance of the license and for each annual renewal thereof.

Section 3. The location and proposed method of protection from possible contamination of all wells that will serve public use as a potable water supply or which will be used in the preparation, processing or production of food products must be approved on forms provided by the Department prior to initiation of construction.

Section 4. All Water Well Drilling Contractors shall be required to submit on each well drilled, deepened, or altered for the purpose of furnishing a public water supply, to the Department, on forms provided by it, all information as may be required by the Department from time to time. Such information shall include, but not be limited to, the following:

(1) Location of the well by such information as it can be accurately located upon a topographic map of the area in question, together with distances from any area containing a potential source of contamination such as septic tanks or sewer lines;

(2) Depth;

(3) Diameter;

(4) Casing material;

(5) Date of completion;

(6) Character and thickness of materials or formations drilled;

(7) Static water level and performance of the well;

(8) Method of protection from possible contamination;

(9) Sterilization methods used.

Section 5. The information contained in Section 4. of this Act shall be forwarded to the Department by the Water Well Drilling Contractor within a period of 30 days after completion of the well.

Section 6. The Department may suspend the license of any Water Well Drilling Contractor for any of the following reasons:

(1) Securing a license through fraud or misrepresentation;

(2) Failure to file the required information set forth in Section 3;

(3) Engaging in fraudulent operations or operations which tend to defraud the public of any type.

Section 7. Any person who violates any of the provisions of this Act shall be fined not less than $5.00, nor more than $50.00 for each offense. The failure to submit records for each water well used as a potable supply shall constitute a separate offense.

HB 386, AN ACT relating to marriage.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 402.020 of the Kentucky Revised Statutes is amended to read as follows:

Marriage is prohibited and void:

(1) With an idiot or lunatic;

(2) Between a white person and a Negro or mulatto;

(3) Where there is a husband or wife living, from whom the person marrying has not been divorced;

(4) When not solemnized or contracted in the presence of an authorized person or society; *and*

(5) When at the time of marriage, the male is under eighteen or the female under sixteen years of age, provided, however, that in case of pregnancy the male and female, or either of them, under the ages [herein] specified *in this subsection* may apply to a *county* [circuit] judge for permission to marry, which application may be granted, in the discretion of the *county* [circuit] judge.

SB 361, AN ACT relating to the compensation of professional and technical employees of the State Department of Health.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The Department of Personnel may, upon recommendation of the Commissioner of Health, establish rates of compensation in excess of and without regard to any limitation imposed by KRS 64.640 or any other existing statute, for each position in the State Department of Health requiring the services of a qualified professional or technical person. Such rates shall be based upon studies of the duties and responsibilities of the positions and upon comparison with rates being paid for similar or comparable services by the federal government and by other states.

HB 503, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 281.814 of the Kentucky Revised Statutes is amended to read as follows:

The following vehicles operated by a carrier or motor carrier shall be exempt from the tax imposed by KRS 281.810; motor vehicles registered under subsection (3) of KRS 186.050 or motor vehicles owned by any person not a resident of this state and duly registered under the laws of any other state, which when operated in this state are used exclusively for the transportation of property for hire, or as a U-Drive-It, within the corporate limits of the city named in the affidavit hereinafter required to be filed or within *fifteen* [ten] miles of the limits of such city if such city is a city of the first, second, third or fourth class, or within *ten* [five] miles of the limits of such city if such city is a city of the fifth or sixth class. Operation outside of this state shall not be considered in determining whether or not this exemption applies. When claiming exemption under this section, the carrier shall file with the department an affidavit stating that the motor vehicle when used in this state is to be used only for the transportation of property within the city named in the affidavit and the area above set out and that the vehicle will not be used outside of such city and the area above set out during the current registration period. The carrier shall furnish such other information as may be required by the rules and regulations of the department, and shall otherwise be subject to the provisions of this chapter and the rules and regulations of the Department of Motor Transportation.

HB 466, AN ACT relating to common carriers.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. No taxicab owner or operator shall solicit passengers who may be standing or waiting along the route or any part of the route covered by the certificate of a common carrier outside of the corporate limits of a city or outside the limits of an unincorporated community, as the case may be. This provision shall in no way be construed as to prevent any individual from having free choice of transportation media.

Section 2. Section 281.805 of the Kentucky Revised Statutes is repealed.

HB 187, AN ACT relating to fire apparatus.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 75.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) All fire apparatus and other vehicles of fire prevention districts organized pursuant to KRS, Chapter 75, county districts established under the authority of KRS 67.320, and all other organized fire departments recognized by the Commissioner of Public Safety as fire departments operated and maintained on a non-profit basis, and all automobiles of members and volunteers of said department shall have the right-of-way on any highway over all vehicles except those carrying the United States mails, with due regard to the safety of the public.

[(1) All fire apparatus and other vehicles of the fire department of a fire protection district, and all automobiles of members and volunteers of said fire departments and the automobiles of other employes of the fire protection district, including automobiles of the trustees, shall have the right of way on any highway over all vehicles except those carrying the U. S. Mails, with due regard to the safety of the public.]

(2) No person shall refuse the right-of-way to any of the above named vehicles while said vehicles are being operated in the line of performance of duty by the operator and any person *operating a vehicle and crossing a fire hose or any fire fighting equipment used by a fire department and any person who follows closer than 2000 yards behind any fire fighting apparatus or vehicle or who parks any vehicle within 1000 yards of any fire apparatus on any highway or other right-of-way when the fire apparatus is engaged in fighting a fire,* [violating any of the provisions of this section] shall be fined not less than twenty nor more than five hundred dollars for each offense.

HB 169, AN ACT relating to newspaper advertisement of execution and judicial sales.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 426.560 of the Kentucky Revised Statutes is amended to read as follows:

In addition to the notices now required by statute to be posted, all public sales of any kind of property sold under execution, judgment or decree, shall, unless otherwise agreed upon by the parties, be advertised in a newspaper of bona fide circulation published in the county of the sale *as provided in paragraph (c) of subsection (1) of KRS 424.130.* [at least once a week for three consecutive weeks next preceding the day of sale. In counties where there is a daily newspaper published or in general circulation, publication of the notice of sale for three consecutive days next preceding the day of sale shall be sufficient.] The advertisement shall state the time, place and terms of sale and describe the property to be sold. The newspaper advertisement shall not be necessary where the appraised value of the property to be sold is less than one hundred dollars.

SB 105, AN ACT relating to the blind.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 159.050 of the Kentucky Revised Statutes is amended to read as follows:

In school districts that operate schools for the education of children who are blind [or deaf] to an extent that renders them incapable of receiving instruction in the regular elementary or secondary schools, such children between the ages of seven and sixteen whose mental condition permits application to study shall be enrolled in and attend such schools regularly for the full term of the schools or until discharged by the board of education of the district. If no provision for the education of such children is made by the school district in which any such child resides, the Superintendent of Public Instruction [, on recommendation of the State Attendance Officer may] *shall* cause the child to be enrolled in one of the state institutions for the education of such special groups, *however, he may at any time exempt from the requirement of attendance at any special school for any blind student whose physical or mental condition prevents or renders inadvisable attendance at school or application to study.*

SB 344, AN ACT relating to finance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

(1) The Department of Finance shall in prescribing general regulations for purchasing as provided in KRS 42.060 (2) require that all spending agencies purchase only from vendors having an office, telephone, and at least one full-time employe within this state.

(2) The division shall before approving or making any purchase as provided in KRS 42.060 (2) require that the purchase be made from a vendor having an office, telephone, and at least one full-time employe within this state.

(3) For purposes of this section, the fact that a vendor is represented in this state by a broker, factory representative, commission-man, or salesman shall not be deemed to satisfy the requirement that such vendor have an office in this state.

HB 422, AN ACT relating to telephone cooperatives.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 279.340 of the Kentucky Revised Statutes is amended to read as follows:

The name of a cooperative shall include the words "Telephone" *and "Corporation" or "Incorporated" or the abbreviation "Inc.," or the word "Company" or the abbreviation "Co.,", and such name may also include the word "Cooperative"* ["Cooperative," and the abbreviation "Inc.,"] unless, in an affidavit made by its president or vice-president, and filed with the Secretary of State, or in an affidavit made by a person signing articles of incorporation, consolidation, merger or conversion, which relate to such cooperative, and filed, together with any such articles, with the Secretary of State, it shall appear that the cooperative desires to do business in another state and is or would be precluded therefrom by reason of the inclusion of such words or either thereof in its name. The name of a cooperative shall be distinct from the name of any other cooperative or corporation organized under the laws of, or authorized to do business in this state. This section shall not apply to any corporation which becomes subject to KRS 279.310 to 279.600 by complying with the provisions of KRS 279.470, or which does business in this state pursuant to KRS 279.570 and which elects to retain a corporate name which does not comply with this section.

SB 362, AN ACT relating to penalties.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 150.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each bird, fish or animal taken, possessed, bought, sold or transported and each device used or possessed contrary to the provisions of this chapter or any regulation adopted by the commissioner thereunder shall constitute a separate offense. The penalties prescribed in this section shall be for each offense.

(2) Any person who violates any of the provisions of this chapter or any regulations adopted by the commission hereunder, for which no definite fine or imprisonment is fixed by this section, shall be fined not less than fifteen dollars nor more than one hundred dollars.

(3) Any person who violates any of the provisions of subsection (3) of KRS 150.090, subsections (1) and (2) of KRS 150.180, KRS 150.300, subsection (1) of KRS 150.310, KRS 150.330, subsection (2) of KRS 150.360, KRS 150.485 or KRS 150.600 shall be fined not less than twenty-five nor more than two hundred dollars or imprisoned for not more than six months, or both.

(4) (a) Any person who violates any of the provisions of subsection (1) of KRS 150.460 shall be fined not less than one hundred dollars nor more than *five hundred* [one thousand] dollars, or imprisoned for not more than six months, or both.

(b) Any person who violates subsection (2) or subsection (3) of KRS 150.460 shall be guilty of a felony and upon conviction shall be confined in the penitentiary for not less than one year nor more than three years and shall be fined not more than five hundred dollars.

(5) Any licensee who violates any provisions of this chapter or any regulation adopted by the commissioner thereunder shall, in addition to the penalties provided in subsections (2), (3) and (4) of this section, forfeit his license.

(6) Any county court clerk who knowingly makes a false entry upon a license record or report, in violation of subsection (2) of KRS 150.190 shall be fined not less than one hundred dollars nor more than five hundred dollars.

(7) Any person who violates the provisions of subsection (2) of KRS 150.185 shall be fined not less than twenty-five dollars, nor more than two hundred dollars.

(8) Any person who violates any provisions of KRS 150.390 shall be fined not less than one hundred dollars, nor more than one thousand dollars.

(9) Any person who violates KRS 150.525 shall be fined not less than twenty-five dollars, no more than two hundred dollars or imprisoned for not more than six months, or both.

(10) Any person who violates any regulation which has been or may be hereafter adopted by the commission under any provisions of this chapter or which is adopted to supplement, explain, carry out or limit any provision of this chapter, shall be subject to the same penalty as is provided for the violation of any provisions of this chapter under which the regulation is adopted or which the regulation supplements, explains, carries out or limits.

(11) Any person violating the provisions of subsection (1) of KRS 150.670, shall be fined not less than fifteen dollars nor more than one hundred dollars.

HB 479, AN ACT relating to judicial administration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Kentucky Revised Statutes is created to read as follows:

It shall be the duty of the Court of Appeals to assist and supervise the circuit courts of this Commonwealth in all matters pertaining to the efficient handling of the dockets in the various circuit courts. It shall be the duty of the Chief Justice of the

Court of Appeals to periodically ascertain the status of the docket in each of the circuit courts, and he may appoint a special judge to dispose of cases in any circuit court when, in his discretion, he finds there are too many undisposed of cases on the docket.

HB 480, AN ACT relating to judicial administration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

It shall be the duty of the Court of Appeals to establish the terms and the dates for holding court in each of the circuit courts of this Commonwealth. Before fixing such terms and dates of any circuit court, the Court of Appeals shall consult the circuit judge of the particular court under consideration.

Section 2. Section 23.050 of the Kentucky Revised Statutes is repealed.

HB 490, AN ACT relating to insurance.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Each school district that operates a motor vehicle or vehicles in conjunction with its school program for the purpose of driver training education shall, if not the owner of such vehicle or vehicles, be permitted to and shall procure an operator's policy of motor vehicle liability insurance under the provisions of KRS 187.490.

HB 457, AN ACT relating to fire protection districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 75.040 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon the creation of a fire protection district as provided in KRS 75.010 to 75.030 the trustees of such district are hereby authorized to establish and operate a fire department in such district and to levy a tax upon the property in said district, subject to county tax, and not exceeding ten cents per one hundred dollars of valuation as assessed for county taxes, for the purpose of defraying the expenses of such establishment, maintenance and operation of said fire department or to make contracts for fire protection for such district as provided in KRS 75.050. *Any fire protection district created under the provision of this chapter and any incorporated volunteer Fire Department lying within a county containing a city of the first or second class may have and exercise the right of eminent domain for any public purpose authorized in this chapter in the manner provided*

in KRS 416.010 to 416.080 or in the manner provided in KRS 416.230 to 416.300 as the district may elect.

(2) The county tax commissioner of the county or counties involved, with the cooperation of the Board of Trustees, shall note on the tax rolls the taxpayers and valuation of the property subject to such assessment. The county clerk shall compute the tax on the regular state and county tax bills in such manner as may be directed by regulation of the Department of Revenue.

(3) Such taxes shall be subject to the same delinquency date, discounts, penalties and interest as are applied to the collection of ad valorem taxes and shall be collected by the sheriff of the county or counties involved and accounted for to the treasurer of the district. The sheriff shall be entitled to a fee of one percent of the amount collected by him.

HB 235, AN ACT relating to administrative regulations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 13.085 of the Kentucky Revised Statutes is amended to read as follows:

(1) No regulation made by any state agency after June 19, 1952 shall become effective until thirty days after an original and two duplicate copies of the regulation are filed in the office of the Legislative Research Commission, except that when the state agency finds that an emergency exists, and such finding is concurred in by the Governor, by written endorsement upon the original regulation, a regulation may become effective immediately upon being filed in the office of the Legislative Research Commission.

(2) Each regulation shall include a citation of the authority pursuant to which it, or any part of it, was adopted.

(3) The Legislative Research Commission shall cause to be endorsed on the original and duplicate copies of each regulation filed the time and date of the filing thereof, and shall maintain a file of such regulations for public inspection, with suitable indexes.

(4) When a regulation becomes effective, as provided in subsection (1) of this section, the state agency promulgating the regulation shall send or cause to be sent a copy of the regulation to each county law library in the state.

HB 301, AN ACT relating to sewer construction districts and providing a method for annexations by same.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Any sewer construction district created in the manner provided in KRS 76.300 to 76.325 may, if the commissioners of such district deem it advisable, use the authority and procedures granted to sanitation districts by KRS 220.535 to and including KRS 220.537 to annex territory to the district, Board of Directors being read as Commission.

Section 2. Language in KRS 220.535, limiting the powers of annexation to a sanitation district in a county not containing a city of the first class, shall not be applicable to sewer construction districts which may use this method of annexation, even if they are located in a county containing a city of the first class, and the Director of the Division of Sanitary Engineering of the Department of Health shall function in regard to annexations by them in the same manner and under the same procedures as set out in KRS 220.535, et seq, as he would in his capacity as Commissioner of Sanitation Districts for any sanitation district.

Section 3. The provisions of Sections 1. and 2. of this Act shall not repeal or reduce any existing rights or duties of sewer construction districts or commissioners thereof, but shall constitute merely a procedure for annexation by sewer construction districts.

SB 305, AN ACT relating to the rights of an arrested person.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Code of Practice in Criminal Cases is created to read as follows:

(1) The officer or other person in charge of a police station, jail, or other place of confinement to which an arrested person is taken shall immediately permit the arrested person to communicate by telephone or by the most expeditious manner, if no telephone is available, with a relative, friend, or an attorney.

(2) If the arrested person is unable, because of drunkenness, illness, or any other reason, to communicate with any one, the officer or other person in charge of the police station, jail, or other place of confinement shall immediately attempt to learn the identity of the arrested person; and shall, from this information, immediately notify, if possible, the arrested person's relatives or friends of his arrest and detention.

(3) Any attorney-at-law shall, at the request of the arrested person or of some one acting in his behalf, be permitted to visit the arrested person.

(4) Any person violating, or failing, or refusing to comply with subsections 1, 2, or 3 of this Act shall forfeit and pay to the arrested person five hundred dollars.

Calendar

HB 156, HB 219, HB 153, HB 23, HB 353, HB 484, SB 359, SB 360, SR 60, SR 62, SR 63, SR 64, HR 75, SB 363, SB 246, HB 220,

HB 262, HB 507, HB 445, HB 171, HB 216, HB 497, HB 278, HB 279, SB 354, HB 307, HB 436, SR 61, HB 118, SB 356, SB 355, HB 318, HB 369, SB 349, SB 368, SB 367, SB 351, SB 366 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected.

Senator Martin moved that the Rules be suspended for the purpose of making a motion. Agreed.

Motion

Senator Martin moved **SB 107** be taken from the Rules Committee, given a first reading and placed in the Calendar.

Senator Kelly moved that the Senate recess for five minutes for the purpose of having a meeting of the Rules Committee.

The President Pro Tem requested a roll call on Senator Kelly's motion to recess.

On roll call, the vote was yeas 12—Duncan, Edwards, Fuqua, Gardner, Kelly, Kiser, Logan, McGinty, Martin, Overbey, Swope, Turner. Nays 10—Buckman, Craft, Duffy, Garrett, Hehl, Kidwell, Nichols, Palmer, Raney, Ware.

The President Pro Tem requested a roll call on Senator Martin's original motion to take **SB 107** from the Rules Committee and read it into the Calendar.

On roll call, the vote was yeas 9—Edwards, Fuqua, Gardner, Johnson, Kiser, Logan, Martin, Overbey, Swope. Nays 16—Bonn, Brand, Buckman, Craft, Duffy, Garrett, Hehl, Kelly, Kidwell, Kinkead, McCann, Mann, Nichols, Palmer, Raney, Ware.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 476, SB 136, SB 153** had been examined and found correctly enrolled. **HB 476, SB 136, SB 153** read at length, compared, and signed in open session by the President Pro Tem. **HB 476, SB 136, SB 153** ordered delivered to the House.

SB 136, SB 153 delivered, signed by Speaker. Ordered delivered to the Governor.

Orders of the Day

Senator Ware moved to take **HB 388** from the Orders of the Day and substitute it for **SB 298.** Agreed.

The President Pro Tem ruled that **SB 298** and **HB 388** were not the same subject matter and therefore could not be substituted.

Senator Swope moved, seconded by Senator Overbey, to lay **HB 388** on the Clerk's Desk. Motion lost by voice vote.

HB 388 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 388.** Agreed.

On roll call, the vote was yeas 24—Bishop, Bonn, Craft, Duffy, Duncan, Fuqua, Gardner, Hehl, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Martin, Miller, Nichols, Raney, Swope, Turner, Ware, White. Nays 0.

HB 388 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 388** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 241 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 241.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Craft, Duffy, Duncan, Fuqua, Gardner, Garrett, Hehl, Johnson, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 0.

SB 241 was passed and the title agreed to.

HB 8 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 8.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Craft, Duffy, Duncan, Fuqua, Gardner, Garrett, Hehl, Johnson, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 1—Logan.

HB 8 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 8** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 329 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 329.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Craft, Duffy, Duncan, Fuqua, Garrett, Hehl, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 0.

HB 329 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 329** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 247 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kelly moved the Previous Question on **HB 247.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 0.

HB 247 was passed and the title agreed to.

Senator Kelly moved that the vote by which **HB 247** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 281 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **SB 281.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Buckman, Craft, Duffy, Fuqua, Gardner, Garrett, Hehl, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 0.

SB 281 was passed and the title agreed to.

Senator Buckman moved that the vote by which **SB 281** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 161 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols moved the Previous Question on **HB 161.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Buckman, Duffy, Duncan, Fuqua, Gardner, Garrett, Hehl, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 0.

HB 161 was passed and the title agreed to.

Senator Nichols moved that the vote by which **HB 161** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 285 taken from Orders of the Day, with the Senate Committee Substitute attached thereto, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the adoption of the Committee Substitute for **HB 285.** Agreed.

Senator Ware moved the Previous Question on **HB 285,** as amended. Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Bonn, Brand, Buckman, Duffy, Duncan, Fuqua, Gardner, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 1—Edwards.

HB 285 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 285,** as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

HB 404 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 404.** Agreed.

On roll call, the vote was yeas 23—Bishop, Blue, Bonn, Brand, Buckman, Duffy, Duncan, Gardner, Garrett, Hehl, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Nichols, Overbey, Raney, Swope, Turner, Ware, White. Nays 2—Fuqua, Miller.

HB 404 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 404** was passed be reconsidered and said motion be laid on the table. Agreed.

Senator McGinty requested that the record show that he desired to vote "Nay" on **HB 404.** Agreed.

HB 413 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols moved the Previous Question on **HB 413.** Agreed.

On roll call, the vote was yeas 27—Bonn, Brand, Buckman, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 413 was passed and the title agreed to.

Senator Overbey moved that the vote by which **HB 413** was passed be reconsidered and that it be laid on the Clerk's Desk. Agreed.

HB 355 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 355.** Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Bonn, Craft, Duffy, Edwards, Fuqua, Garrett, Hehl, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 355 was passed and the title agreed to.

HB 128 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 128.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Buckman, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 128 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 128** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 210 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **HB 210.** Agreed.

On roll call, the vote was yeas 16—Bonn, Buckman, Craft, Duffy, Garrett, Hehl, Kiser, Logan, McGinty, Martin, Miller, Nichols, Palmer, Raney, Turner, Ware. Nays 10—Bishop, Blue, Edwards, Fuqua, Gardner, Johnson, Kelly, Kidwell, Mann, Swope.

HB 210 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 210** was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Ware moved that the Rules be suspended for the purpose of introducing a resolution. Agreed.

Introduction of Resolution

SR 67, by Senator Kelly: A JOINT RESOLUTION declaring the intent of the General Assembly as to Chapter 318 of the Kentucky Revised Statutes relating to plumbers and plumbing.

Senator Ware moved that the Senate adjourn until 1 p.m., Monday, March 12. Agreed.

MONDAY, MARCH 12, 1962

FIFTY-SIXTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James Shepherd, Pastor of the First Methodist Church of Frankfort.

The roll was called. All present except Senator Derickson, who was granted leave of absence on motion of Senator Ware.

Reading of Journal for March 9 dispensed with and the same approved on motion of Senator Ware.

Motions, Petitions and Communications

Senator Ware moved that the Senate resolve itself into a Committee of the whole to hear Commissioner of Highways Henry Ward until 2 p.m., at which time the Senate will reconvene. If the Committee as a whole is not finished with their questions the Committee on Committees will announce a committee to continue information investigation. Agreed.

At the appointed hour the President resumed the chair.

Senator Ware moved that the Senate pass over the regular order of business and have Committee Reports. Agreed.

Report of Committee

Rules Committee reported **SB 327, HB 514, HB 94, HB 471, HB 493, HB 463, HB 402, SB 358, HB 95** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

SB 327, AN ACT relating to Child Labor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 339.230 of the Kentucky Revised Statutes is amended to read as follows:

A minor who has passed his *twelfth* [fourteenth] birthday but is under sixteen years of age may be employed, permitted or suffered to work in, about or in connection with any gainful occupation, except:

(1) He may not be employed during regular school hours, unless:

(a) He has been granted a special employment certificate in accordance with the provisions of KRS 339.260, and then only in such occupations as are authorized in accordance with that section; or

(b) The school authorities have made arrangement for him to attend school at other than the regular hours, in which event he may be employed subject to KRS 339.260, during such of the regular school hours as he is not required to be in attendance under the arrangement; or

(c) He has graduated from high school.

(2) He may not be employed:

(a) In, about or in connection with any manufacturing or mechanical establishment.

(b) On or in connection with any power-driven machinery except under school supervision as provided in KRS 339.430. *Notwithstanding the provisions of this subsection, a minor may be employed, in the discretion of the person authorized to issue the employment certificate under the provisions of this chapter, in any gainful occupation for which he holds an employment certificate referred to in KRS 339.280.*

(c) As a messenger for any person, firm or corporation engaged primarily in the business of transmitting or delivering goods or messages.

(d) In the manufacture, transportation, or use of explosives or highly inflammable substances; in or about mines or quarries; in any tunnel or excavation; in logging operations or in any sawmill, lathe mill, shingle mill, or cooperage stock mill; as engineers, firemen, brakemen, or switchmen on any railroad; in the operation of motor vehicles; upon any scaffolding or in heavy construction work; in operating steam boilers carrying a pressure of fifteen pounds or more; in operating or assisting in operating elevators, cranes, derricks, or hoists; in operating or assisting in operating any punch presses or stamping machines, metal or paper cutting machines having a guillotine action, metal shears or plate bending machines, machines used for cold rolling of heavy metal stock, woodworking machines, grinding, abrasive or polishing machines, laundry or dry cleaning machines, calendar rolls or mixing rolls in paper or rubber manufacturing, dough breakers or dough mixing machines, or machines used for opening, picking or carding of cotton or wool; in ore reduction works; smelters; hot rolling mills; plant manufacturing iron and steel; foundries; forging shops, and in any other place in which the heating, melting, or heat treatment of metals is carried on; in the manufacture or use of dangerous or poisonous dyes or chemicals and their compounds, or in the manufacture of lead, or in exposure to lead or its compounds; in any occupation involving exposure to radioactive substances; in oiling or cleaning machinery in motion; in stone cutting or polishing; or in assorting, manufacturing or packing tobacco.

(e) In, about or in connection with any establishment where alcoholic liquors are distilled, rectified, compounded, brewed, manufactured, bottled, sold for consumption or dispensed (except he may be employed in places where the sale of alcoholic beverages by the package *or drink* is merely incidental to the main business actually conducted), or in a pool or billiard room.

(f) In any place of employment, or at any occupation, that is hazardous or injurious to the life, health, safety or welfare of such minor.

(g) In a public bowling alley.

(3) A female minor of such age may not be employed in the distribution or sale of newspapers, magazines or periodicals, or in the street occupations of peddling or bootblacking or in any other occupation pursued in any street or public place.

HB 514, AN ACT relating to podiatry.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 311.380 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 311.390 to 311.520, *unless the context otherwise requires:*

(1) "Board" means the State Board of *Podiatry* [Chiropody];

(2) *"Podiatry"* ["Chiropody"] means the diagnosis, and the [local,] medical, mechanical and surgical treatment, of ailments of the human foot, and massage *and the use of drugs* in connection therewith, except amputation of the foot or toes, or the use of anesthetics other than local, or the use of drugs or medicine other than local *or the use of narcotic drugs other than those which are designated by regulation of the State Board of Health for use by podiatrists in their practice.* [; provided, however, that in connection with such treatment analgesics, antipyretics, and codeine may be used orally and antibiotics or sulfanilamide agents may be used through local application.]

(3) *"Podiatrist"* ["Chiropodist"] means one who practices *podiatry* [chiropody].

Section 2. Section 311.400 of the Kentucky Revised Statutes is amended to read as follows:

No person shall profess to be a *podiatrist* [chiropodist], or practice or assume the duties incident to *podiatry* [chiropody] in this state, or use the title *"podiatrist"* ["chiropodist"] or any words or letters which designate or tend to designate to the public that the person is a *podiatrist* [chiropodist], unless he holds a valid, current license from the board, registered in the county in which the holder is engaged in such practice. Any person who violates this section shall forfeit any right to compensation for services rendered.

Section 3. Section 311.410 of the Kentucky Revised Statutes is amended to read as follows:

(1) There is hereby established *in the Department of Health* a State Board of *Podiatry* [Chiropody] which shall consist of five practicing *podiatrists* [chiropodists], each appointed by the Governor. All appointments, including appointments to fill vacancies, shall be made from lists of three names for each position submitted by the Kentucky *Podiatry* Association [of Chiropodists]. Any vacancy shall be filled for the unexpired term by the Governor, as provided in the original appointment.

(2) A person to be eligible for appointment as a member of *the* [said] board shall be at least twenty-one years of age, of good moral character, a resident of this state, and a licensed and practicing *podiatrist* [chiropodist] in this state for at least five consecutive years next preceding the date of his appointment. No member of the board shall be a stockholder, officer or member of the faculty or board of trustees of any school, college or institution of *podiatry or* chiropody.

[(3) The State Board of Chiropody, established by Chapter 197 of the Acts of 1952, is hereby abolished, and all rights, functions, powers and duties of said board and of the State Board of Health under said Act are hereby transferred to and vested in the State Board of Chiropody established by this section, upon June 17, 1954. All records, files and moneys shall be turned over to the State Board of Chiropody established by this section upon June 17, 1954.]

(3) [(4)] The terms of office of the five members first appointed shall be one, two, three, four and five years, respectively, and the respective terms of the first members shall be designated by the Governor at the time of their appointment. Upon the expiration of the respective terms of the members first appointed, the term of each successor shall be five years, or until his successor shall be appointed and qualified.

(4) [(5)] The board shall elect one of its members as president. *The Commissioner of Health shall be secretary of the board. He may appoint an assistant secretary and delegate to him any or all of his powers and duties under KRS 311.390 to 311.520. The secretary may, subject to approval by the board, fix the compensation of the assistant secretary, and employ and fix the compensation of all personnel required for the administration of KRS 311.390 to 311.520. The board may* [, and one of its members as secretary. The board is authorized to fix the compensation of the secretary and to employ and fix the compensation of all personnel required by it for the administration of KRS 311.390 to 311.520. The board shall have power to] make all rules and regulations, not inconsistent with KRS 311.390 to KRS 311.520, as may be necessary to implement and carry out the provisions and purposes of KRS 311.390 to 311.520.

(5) [(6)] The board shall hold meetings at least twice a year and as frequently as it deems necessary at such times and places as the board may designate. A majority of the members shall constitute a quorum.

(6) [(7)] The board may sue and be sued in its own name.

Section 4. The State Board of Chiropody, established by chapter 219 of the Acts of 1954 is abolished, and all rights, functions, powers and duties of such board under such Act are transferred to and vested in the State Board of Podiatry established by KRS 311.410, as amended by section 3 of this Act. All records, files and moneys of the State Board of Chiropody shall be turned over to the State Board of Podiatry on the effective date of this Act.

Section 5. Section 311.420 of the Kentucky Revised Statutes is amended to read as follows:

(1) The board shall conduct examinations at least twice a year at such times and places as the board deems convenient for applicants for licenses to practice *podiatry* [chiropody] in this state, and shall admit to examination any applicant who:

(a) Is at least twenty-one years of age;

(b) Is a citizen of the United States and a resident of the State of Kentucky;

(c) Is of good moral character and temperate habits; and

(d) Has completed a course in and graduated from a school or college of *podiatry or* chiropody approved by the board.

(2) The examination shall embrace the subjects of anatomy, physiology, chemistry, bacteriology, histology, pathology, dermatology, pedic-surgery, physio-therapy, diagnosis and treatment, materia medica and therapeutics, and other subjects as these subjects relate to antiseptics and anaesthetics and clinical *podiatry or* chiropody, but the examination shall be so limited in its scope as to cover only the minimum requirements for *podiatry or* chiropody educations.

(3) Applicants for examination shall present their credentials to the board by mail upon forms furnished by the board, and shall receive due notice of the place and date of the examination. Each application shall contain proof of the qualifications required of the applicant, shall be verified by the applicant under oath, and shall be accompanied by an examination fee of fifty dollars.

(4) The board shall issue a license to any person who complies with the provisions of KRS 311.380 to 311.520 and who satisfactorily passes the examination.

(5) The members of the board shall receive no compensation for their services, but shall be paid their traveling and other necessary expenses while employed upon the business of the board.

Section 6. Section 311.440 of the Kentucky Revised Statutes is amended to read as follows:

Every person licensed to practice *podiatry* [chiropody] shall, within thirty days after issuance, file his license with the county clerk of each county in which he desires to engage in the practice of *podiatry* [chiropody], and shall pay the county clerk a recording fee of fifty cents. The clerk shall keep a record of *podiatrists'* [chiropodists'] licenses in a book in his office.

Section 7. Section 311.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every license issued for the practice of *podiatry* [chiropody] shall expire on June 30 following the date of issuance unless sooner revoked and cancelled.

(2) On or before June 1 of each year, the board shall send notices to all licensed *podiatrists* [chiropodists] in this state, at their last known addresses, advising them that the annual license renewal fee is due on July 1 of each year. Every registered *podiatrist* [chiropodist] shall renew his license on or before July 1 of each year by the payment to the board of an annual license renewal fee of ten dollars. If such renewal fee is not paid on or before July 1, the board shall notify the delinquent licensee by mail at his last known address that such fee is due and unpaid and that a delinquent penalty of twenty-five dollars is assessed, in addition to the renewal fee of ten dollars, and must be paid on or before January 1. If such fees and penalties are not paid by January 1, it shall be the duty of the board to suspend or revoke the [said] license for non-payment of the annual renewal and delinquent fees for the current year.

(3) All fees collected under the provisions of KRS 311.380 to 311.520, or the rules and regulations adopted pursuant thereto, shall be paid into the State Treasury, and credited to a trust and agency fund to be used in defraying the costs and expenses in the administration of KRS 311.380 to 311.520 including, but not limited to, salaries and necessary travel expenses. No part of this fund shall revert to the general funds of this Commonwealth.

Section 8. Section 311.460 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall offer to practice *podiatry* [chiropody] under the name of any company. Any person practicing or offering to practice *podiatry* [chiropody] shall practice under his own name only, as his name appears in his license.

(2) No person practicing or offering to practice *podiatry* [chiropody] shall use any title or abbreviation thereof except the designation "*Podiatrist.*" ["Chiropodist."] The terms "Foot *Doctor" and Chiropodist, or either of them,* [Specialist"] may be used in conjunc-

tion with the title *"Podiatrist,"* ["Chiropodist,"] but not as a substitute therefor and not alone.

Section 9. Section 311.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who practices *podiatry* [chiropody] shall display his license, together with the annual license renewal certificates, in a conspicuous place in the office in which he practices.

(2) No person practicing or offering to practice *podiatry* [chiropody] shall in any manner advertise the prices charged for his services; nor shall he advertise in newspapers, in periodicals, by handbills or circulars, or in bold-face type in any printed matter, or by the use of any form of display sign; except that he may, upon opening an office or upon change of address, mail or publish announcements to that effect provided such announcements shall not appear more than three times in public print, and the form of such announcement shall be determined by the board.

Section 10. Section 311.480 of the Kentucky Revised Statutes is amended to read as follows:

The board may refuse to license or renew, or may suspend or revoke the license of any *podiatrist* [chiropodist], upon proof that he:

(1) Has been convicted of a felony;

(2) Has been *convicted of a misdemeanor involving* [guilty of] moral turpitude or conduct likely to deceive or defraud the public;

(3) Has employed, hired, procured or induced a person not licensed to practice *podiatry* [chiropody] in this state [to] so *to* practice;

(4) Has aided or abetted in the practice of *podiatry* [chiropody] a person not licensed to practice *podiatry* [chiropody] in this state;

(5) Has been granted a license upon a mistake of a material fact; or

(6) Has violated any provision of KRS 311.380 to 311.520.

Section 11. Chapter 5, Acts of 1952, and Sections 311.415 and 311.430 of the Kentucky Revised Statutes are repealed.

HB 94, AN ACT relating to emergency telephone communications.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) "Party line" means a subscribers' line telephone circuit, consisting of two or more main telephone stations connected therewith, each station with a distinctive ring or telephone number.

(2) "Emergency" means a situation in which property or human life is in jeopardy and the prompt summoning of aid is essential.

Section 2. Any person who wilfully refuses to yield or surrender the use of a party line to another person for the purpose of permitting such other person to report a fire or summon police, medical or other aid in case of emergency, shall be fined not less than twenty nor more than five hundred dollars or imprisoned in the county jail for a period not exceeding ninety days, or both.

Section 3. Any person who asks for or requests the use of a party line on the pretext that an emergency exists, knowing that no emergency in fact exists, shall be fined not less than twenty-five nor more than one hundred dollars or imprisoned in the county jail for a period not exceeding ten days or both so fined and imprisoned.

Section 4. After the ninetieth day following the effective date of this Act, every telephone directory thereafter published for distribution to the members of the general public shall contain a notice which explains this law, such notice to be printed in type which is no smaller than any other type on the same page and to be preceded by the word "WARNING." The provisions of this section shall not apply to directories distributed solely for business advertising purposes, commonly known as classified directories.

Section 5. Section 75.270 of the Kentucky Revised Statutes is repealed.

HB 471, AN ACT relating to costs and expenses of county judges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 453.030 of the Kentucky Revised Statutes is amended to read as follows:

In a misdemeanor case before a county judge, the judge shall, if the accused is convicted, tax as costs *$5.50.* [$4.50] The judge shall each month pay into the county treasury *$4.50 of each levy of* [the] costs so collected, with an itemized statement, verified by him, showing the persons from whom the costs were received. *The judge shall pay $1.00 of each levy of costs so collected into the state treasury in a manner prescribed by the Commissioner of Finance.*

Section 2. (1) A revolving fund is established and designated as the County Judge Expense Allowance Fund. The money paid into the state treasury under KRS 453.030 shall be credited to this fund. For the purposes of KRS 45.140 the Commissioner of Finance is head of the budget unit in relation to this fund.

(2) The purpose of the fund is to provide a source from which payments may be made to county judges to defray or partly defray the expenses of maintaining their offices.

(3) Any surplus in the fund at the end of a fiscal year shall be transferred to the general fund.

Section 3. (1) The Commissioner of Finance shall determine the amount that is present in the fund on the last days of the months of September, December, March, and June. Payments shall be made quarterly to county judges in an amount determined as provided in this section.

(2) Except as provided in paragraph (b) of subsection (3), the maximum expense allowance is $300 per quarter-year.

(3) (a) If the money present in the fund on the day mentioned in subsection (1) divided by 120 equals an amount less than $300, then that amount shall be paid.

(b) If the money present in the fund on the day mentioned in subsection (1) divided by 120 equals an amount as much as or more than $300, then $300 shall be paid, except that:

1. if the amount is more than $300, and

2. if the total amount previously paid to each judge during the fiscal year is less than $300 times the number of previous payments, then the payment shall be in an amount not larger than is necessary to make the total amount paid during the fiscal year equal to $300 times the number of payments.

(4) In no case shall a county judge receive more than $1,200 in one fiscal year.

Section 4. This Act becomes effective July 1, 1962.

HB 493, AN ACT changing the classification of the City of Calvert City, in Marshall County.

WHEREAS, satisfactory information has been presented to the General Assembly that the population of the City of Calvert City, in Marshall County, is such as to justify its being classified as a city of the fifth class,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The City of Calvert City, in Marshall County, is transferred from the fifth to the fourth class of cities.

HB 463, AN ACT relating to cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 92.405 of the Kentucky Revised Statutes is amended to read as follows:

In all cities of the second [, third, or fourth] class, whether operating under the councilmanic form of government or under the commission or city manager form of government, an annual audit of all the accounts of all city officers, *including officers of municipal waterworks and utilities* shall be made at the termination of each fiscal year. The legislative body of the city *and the officers of such municipally owned utilities* shall select, to make the *respective* audits, qualified public accountants who have no personal interest in the financial affairs of the city or of any of its officers or employes, [. The legislative body] *and* shall cause *a summary of the audit* [the complete report of the auditors] to be published in the newspaper with the largest bona fide circulation in the city [, and in pamphlet form, and a copy of the report in pamphlet form shall be given to each voter who applies for it at the proper office]. *The summary of each audit shall contain a balance sheet, a profit and loss statement, and shall show the bonded indebtedness and any discrepancy disclosed by the audit. Each officer or agency shall cause a copy of the audit of his or its functions to be kept on file in his or its office. A complete copy of each audit shall be filed in the office of the county court clerk within one week after publication of the audit.* The legislative body may at any time provide for an examination or audit of the accounts of any officer or department of the city. *Compliance with the provisions of this section shall be in lieu of the requirements of KRS 424.220.*

HB 402, AN ACT relating to school districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 160.470 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each district board of education shall prepare a general school budget on forms prescribed and furnished by the State Board of Education, showing the amount of money needed for current expenses, debt service, capital outlay, and other necessary expenses of the schools during the succeeding fiscal year, the estimated total amount that will be received from the common school fund and other sources, the assessed valuation of property subject to local taxation in the school district furnished as provided in subsection (3) of KRS 160.460, an estimate made by the Department of Revenue of franchise assessments and assessments of other property in the school district not furnished under the provisions of subsection (3) of KRS 160.460, and the amount that will be needed to be raised by local taxation, including the rate of levy necessary to raise such an amount. Three copies of the budget shall be filed with the clerk of the tax levying authority of the district within *twenty* [three] days after the school district has received its assessment data. The clerk shall present the

budget to the proper tax levying authority when the authority convenes to fix its school levy. The failure of the district board of education to furnish the budget within the time prescribed shall not invalidate any levy made thereafter. Within three days after the tax levying authority has fixed the tax rate, the district board of education shall forward two copies of the budget to the State Board of Education for its approval or disapproval. The budget shall be disapproved if it is financially unsound or fails to provide for (a) payment of maturing principal of and interest on any outstanding voted school improvement bonds of the school district authorized and issued pursuant to KRS 162.080 and 162.090, with the written approval of the State Board of Education, or (b) payment of rentals in connection with any outstanding school building revenue bonds issued for the benefit of the independent school district or county school district, as the case may be, by the appropriate city or county as authorized and provided under the provisions of KRS 162.120 to 162.300, with the written approval of the State Board of Education, or fails to comply with the law; and the State Board of Education shall state its reason, or reasons, for such disapproval. In such event the district board of education shall amend its budget to obviate the reasons for disapproval. If the budget as amended specifies a tax levy different from that levied under the disapproved budget, the tax levying authority shall amend its levy in accordance therewith, so that the levy as amended shall comply with the provisions of subsection (1) of KRS 160.460. No general school budget shall become effective until approved by the State Board of Education.

(2) Each district board of education shall, if required by the State Board of Education, prepare and submit to it not later than September 15, a close estimate or working budget which shall conform to the rules and regulations prescribed by the State Board of Education, and which shall be consistent in its major divisions with the general school budget previously prepared.

SB 358, AN ACT relating to barber schools.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. (1) No license shall be issued by the Kentucky Board of Barbering to any person, firm or corporation authorizing the operation of a school of barbering in any city having a population of less than 40,000. In cities having a population of 40,000 to 80,000 the Board is authorized to license not more than one school of barbering. In cities having a population of 80,000 to 100,000 the Board may issue licenses for two schools and in cities with a population exceeding 100,000 the Board may issue not more than four licenses for schools of barbering.

(2) For the purposes of this Act the population of cities shall be determined upon the basis of the official report of the last Federal Census.

HB 95, AN ACT relating to rural telephone cooperative corporations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 279.380 of the Kentucky Revised Statutes is amended to read as follows:

(1) The business of a cooperative shall be managed by a board of not less than five trustees, each of whom shall be a member of the cooperative, or of another cooperative which is a member thereof. The bylaws shall prescribe the number of trustees, their qualifications, other than those prescribed in this section, the manner of holding meetings of the board of trustees and of electing successors to trustees who shall resign, die, or otherwise be incapable of acting. The bylaws may also provide for the removal of trustees from office and for the election of their successors. Trustees shall not receive any salaries for their services as trustees and, except in emergencies, shall not receive any salaries for their services in any other capacity without the approval of the members. The bylaws may, however, prescribe a fixed fee for attendance at each meeting of the board of trustees and may provide for reimbursement of actual expenses of attendance.

(2) The trustees of a cooperative named in any articles of incorporation, consolidation, merger, conversion or combined consolidation and conversion shall hold office until the next annual meeting of the members and until their successors are elected and qualify. At each annual meeting or, in case of failure to hold the annual meeting as specified in the bylaws, at a special meeting called for that purpose, the members shall elect trustees to hold office until the next annual meeting of the members, except as otherwise provided in KRS 279.310 to 279.600. Each trustee shall hold office for the term for which he is elected and until his successor is elected and qualifies.

(3) Instead of electing all the trustees annually, the bylaws may provide that *one third* [half] of them, or a number as near thereto as possible, shall be elected *annually for a term of three years.* [to serve until the next annual meeting of the members, and that the remaining trustees shall be elected to serve until the second succeeding annual meeting. Thereafter, as trustees' terms expire, the members shall elect their successors to serve until the second succeeding annual meeting after their election.]

(4) A majority of the board of trustees shall constitute a quorum.

(5) The board of trustees may exercise all of the powers of a cooperative not conferred upon the members by KRS 279.310 to 279.600, or its articles of incorporation or bylaws.

(6) The officers of a cooperative shall consist of a president, vice-president, secretary and treasurer, who shall be elected annually by and from the board of trustees. When a person holding any such office ceases to be a trustee he shall cease to hold such office. The office of secretary and of treasurer may be held by the same person. The board of trustees may also elect or appoint such other officers, agents, or employes as it deems necessary or advisable and shall prescribe their powers and duties. Any officer may be removed from office and his successor elected in the manner prescribed in the bylaws.

Calendar

SB 369, SB 370, SB 371, HB 386, SB 361, HB 503, HB 466, HB 187, HB 169, SB 105, SB 344, HB 422, SB 362, HB 479, HB 480, HB 490, HB 457, HB 235, HB 301, SB 305 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected.

Orders of the Day

SB 331 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB 331.** Agreed.

On roll call, the vote was yeas 17—Bonn, Brand, Buckman, Craft, Duffy, Duncan, Garrett, Hickerson, Johnson, Kiser, McCann, Martin, Palmer, Swope, Turner, Ware, White. Nays 8—Conley, Gardner, Howard, Kinkead, Logan, McGinty, Nichols, Overbey.

SB 331 was passed and the title agreed to.

Senator Garrett moved that the vote by which **SB 331** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 207 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 207.** Agreed.

On roll call, the vote was yeas 32—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 3—Duncan, Johnson, Swope.

HB 207 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 207** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 232 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 232.** Agreed.

On roll call, the vote was yeas 28—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Nichols, Palmer, Raney, Turner, Ware, White. Nays 5—Johnson, Logan, Miller, Overbey, Swope.

HB 232 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 232** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 208 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 208.** Agreed.

On roll call, the vote was yeas 31—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

HB 208 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 208** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 416 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 416.** Agreed.

On roll call, the vote was yeas 33—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 416 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 416** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 144 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator McCann offered Amendment #1 to **SB 144** and moved its adoption. Agreed.

Amendment #1 to **SB 144** is as follows:

Amend printed copy of Senate Bill 144 on page 1, line 8, by: inserting after the word "bidder" the following: , except that in purchase involving the use of federal funds, no preference of any kind shall be allowed. For the purposes of this act, resident bidder is defined as a person, firm or corporation that is a resident taxpayer of Kentucky and has been a bona fide distributor of products in Kentucky for more than six months.

Senator McCann moved the Previous Question on **SB 144**, as amended. Agreed.

On roll call, the vote was yeas 21—Buckman, Conley, Duffy, Edwards, Fuqua, Hehl, Hickerson, Kelly, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Turner, Ware. Nays 7—Bishop, Brand, Craft, Gardner, Garnett, Garrett, Swope.

SB 144 was passed and the title agreed to.

Senator McCann moved that the vote by which **SB 144**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

SB 343 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 343**. Agreed.

On roll call, the vote was yeas 25—Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson, Johnson, Kidwell, Kinkead, Kiser, McCann, Mann, Martin, Miller, Nichols, Palmer, Raney, Turner, Ware, White. Nays 11—Bishop, Duncan, Edwards, Fuqua, Gardner, Howard, Kelly, Logan, McGinty, Overbey, Swope.

SB 343 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 343** was passed be reconsidered and said motion be laid on the table. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 443, HB 264, HB 321, HR 56, HB 227** had been examined and found correctly enrolled. **HB 443, HB 264, HB 321, HR 56, HB 227** read at length, compared and signed in open session by the President. **HB 443, HB 264, HB 321, HR 56, HB 227** ordered delivered to the House.

Senator Overbey moved that when the Senate adjourn today, it adjourn in memory of Mr. Vernon Barbour. Agreed.

Orders of the Day

SB 356 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **SB 356.** Agreed.

On roll call, the vote was yeas 23—Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Hickerson, Kidwell, Kinkead, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Turner, Ware, White. Nays 9—Conley, Duncan, Gardner, Howard, Johnson, Logan, Martin, Overbey, Swope.

SB 356 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 356** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 48 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 48.** Agreed.

On roll call, the vote was yeas 31—Bishop, Bonn, Brand, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Swope, Turner, Ware, White. Nays 0.

SB 48 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 48** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 274 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **SB 274.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Martin, Miller, Nichols, Palmer, Swope, Turner, Ware, White. Nays 0.

SB 274 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 274** was passed be reconsidered and said motion be laid on the table. Agreed.

SR 60 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SR 60.** Agreed.

On roll call, the vote was yeas 35—Bishop, Blue, Bonn, Brand, Buckman, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SR 60 was passed and the title agreed to.

Senator Ware moved that the vote by which **SR 60** was passed be reconsidered and said motion be laid on the table. Agreed.

SR 62 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SR 62.** Agreed.

On roll call, the vote was yeas 20—Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Garnett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, McCann, Mann, Nichols, Palmer, Turner, Ware, White. Nays 5—Conley, Gardner, Logan, Overbey, Swope.

SR 62 was passed and the title agreed to.

Senator Ware moved that the vote by which **SR 62** was passed be reconsidered and said motion be laid on the table. Agreed.

SR 64 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SR 64.** Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SR 64 was passed and the title agreed to.

Senator Ware moved that the vote by which **SR 64** was passed be reconsidered and said motion be laid on the table. Agreed.

SR 63 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SR 63.** Agreed.

On roll call, the vote was yeas 35—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SR 63 was passed and the title agreed to.

Senator Ware moved that the vote by which **SR 63** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 348 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **SB 348.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 348 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 348** was passed be reconsidered and said motion be laid on the table. Agreed.

The President vacated the chair, the President Pro Tem presiding.

HB 282 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 282.** Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Garnett, Garrett, Hehl, Howard, Kelly, Kinkead, McCann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 2—Gardner, McGinty.

HB 282 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 282** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 52 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garnett moved the Previous Question on **SB 52.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kidwell, Kinkead, Logan, McCann, McGinty, Miller, Nichols, Raney, Swope, Turner, Ware, White. Nays 0.

SB 52 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 52** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 306 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB 306.** Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kinkead, Logan, McCann, Miller, Nichols, Raney, Swope, Turner, Ware, White. Nays 1—McGinty.

SB 306 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 306** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 363 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Hehl moved the Previous Question on **SB 363.** Agreed.

On roll call, the vote was yeas 20—Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Hehl, Hickerson, Howard, Kelly, Kinkead, Logan, McCann, Martin, Miller, Palmer, Raney, Turner, Ware. Nays 3—Edwards, Fuqua, Nichols.

SB 363 was passed and the title agreed to.

Senator Hehl moved that the vote by which **SB 363** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 222 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy offered Amendment #1 to **SB 222** and moved its adoption. Agreed.

Amendment #1 to **SB 222** is as follows:

Amend printed copy of Senate Bill 222 on page 2, line 10, by adding the following: "Any amount paid to a city of any class by a person, firm, or corporation, within an area incorporated as a city or annexed by a city after January 1, 1962, shall not be eligible to be credited against the county license fee until after five years from said incorporation or annexation."

Senator Duffy moved the Previous Question on **SB 222**, as amended. Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

SB 222 was passed and the title agreed to.

Senator Miller moved that the vote by which **SB 222** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 291 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy offered Amendment #1 to **SB 291** and moved its adoption. Agreed.

Amendment #1 to **SB 291** is as follows:

Amend printed copy of Senate Bill 291 on page 1, by deleting from the first line of the title following the word "to" the words "and permitting the sale of;" and on page 1, line 3, following the word "to" by inserting the words "use for other governmental purposes or."

Senator Miller moved the Previous Question on **SB 291**, as amended. Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 291 was passed and the title agreed to.

SB 292 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller moved the Previous Question on **SB 292**. Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 292 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 292** was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Overbey moved that the Senate recess until 8 p.m. Lost on a voice vote.

SB 329 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB 329.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

SB 329 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 329** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 330 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **SB 330.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 330 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 330** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 55 taken from Orders of the Day, by way of Committee Substitute, and ordered read at length for the third time. Senator Ware moved that the Committee Substitute for **SB 55** be read by title only. Agreed by a majority of members elected.

Senator Kelly moved that the Committee Substitute for **SB 55** be adopted. Agreed.

Senator Kelly moved the Previous Question on **SB 55**, as amended. Agreed.

On roll call, the vote was yeas 22—Bishop, Blue, Bonn, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, Mann, Palmer, Raney, Turner, Ware, White. Nays 4—Garnett, Martin, Overbey, Swope.

SB 55 was passed and the title agreed to.

Senator Kelly moved that the vote by which **SB 55**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 61, HB 115, HB 211, HB 284, HB 299, HB 328, HB 362, HB 394, HB 418, HB 451, HB 475, HB 481, HB 509, HB 511, HB 519, HB 532, HB 535, HB 537, HB 541, HB 543, HB 544, HB 552, HB 554, HB 555, HB 560, HR 89.**

Orders of the Day

SR 61 taken from Orders of the Day and read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Howard moved the Previous Question on **SR 61.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SR 61 was passed and the title agreed to.

Senator Howard moved that the vote by which **SR 61** was passed be reconsidered and said motion be laid on the table. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 8, HB 128, HB 404, HB 388, HB 161, HB 355, HB 329, HB 247, HB 210** had been examined and found correctly enrolled. **HB 8, HB 128, HB 404, HB 388, HB 161, HB 355, HB 329, HB 247, HB 210** read at length, compared and signed in open session by the President Pro Tem. Ordered delivered to the House.

Orders of the Day

HB 356 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Swope offered Amendment #1 to **HB 356** and moved its adoption. Agreed.

Amendment #1 to **HB 356** is as follows:

Amend printed copy of House Bill 356 on page 2, line 5, by changing the word "first" to "second."

Senator Ware moved the Previous Question on **HB 356,** as amended. Agreed.

On roll call, the vote was yeas 27—Blue, Bonn, Brand, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

HB 356 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 356** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 349 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 349.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Ware, White. Nays 0.

SB 349 was passed and the title agreed to.

SB 360 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 360.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Kelly, Kidwell, Kinkead, Logan, McCann, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 360 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 360** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 355 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Overbey moved that **SB 355** be tabled. Agreed by voice vote.

Senator Ware moved that the Rules be suspended for the purpose of introducing resolutions. Agreed.

Introduction of Resolutions

SR 68 by Senator Johnson: A RESOLUTION extending appreciation to Howard Lee Van Arsdale for his contributions to conservation.

SR 69, by Senators Johnson, Howard, Craft, Raney: A RESOLUTION urging the Federal Government to begin construction of the proposed Allegheny Parkway.

SR 70, by Senator Johnson: A RESOLUTION pertaining to the Civil Air Patrol and especially to the London Squadron of the Civil Air Patrol.

Senator Ware moved that the Senate adjourn until 1 p.m., Tuesday, March 13. Agreed.

TUESDAY, MARCH 13, 1962

FIFTY-SEVENTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James Shepherd, Pastor of the First Methodist Church of Frankfort.

The roll was called. All present except Senator Derickson, who was granted leave of absence on motion of Senator Ware.

Reading of Journal for March 12 dispensed with and the same approved on motion of Senator Ware.

House Message

Announcing passage of **HB 254, SB 17, SB 25, SB 31, SB 54, SB 66** (with amendment), **SB 71, SB 85, SB 97, SB 115** (with amendment), **SB 118, SB 119, SB 145, SB 155, SB 163, SB 166, SB 225, SB 256** (Committee Substitute), **SB 263, SB 267, SB 275** (with amendment), **SB 280, SB 285** (with amendment), **SB 303, SB 312, SB 325, SB 342, SR 17.**

Motions, Petitions and Communications

Senator Ware moved that the Rules be suspended for the purpose of having committee reports. Agreed.

Report of Committee

Rules Committee reported **HB 328, HB 555, HB 554, HB 522, HB 444, HB 155, HB 251, HB 252, HB 253, HB 254, HB 362, HB 337, HB 394, HB 198, HB 332, HB 56, HB 441, HB 451, HR 83, HB 487, HB 488, HB 501, HB 544, HB 560, HB 266** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 328, AN ACT relating to workmen's compensation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Subsection (1) of Section 342.095 of the Kentucky Revised Statutes is amended to read as follows:

(1) When the injury or occupational disease causes total disability for work, the employer, during such disability, except for the first seven days thereof, shall pay the employe a weekly compensation equal to sixty-five percent of his average weekly earnings, not to exceed *thirty-eight* [thirty-six dollars] nor less than sixteen dollars per week, such payments to be made during the period of total disability but not longer than four hundred twenty-five weeks after the date of the injury, or after the date his disability from an occupational disease began, nor in any case to exceed a maximum sum of *sixteen thousand one hundred and fifty dollars* [fifteen thousand three hun-

dred dollars]. If the period of total disability begins after a period of partial disability, the period of partial disability shall be deducted from the total period of four hundred twenty-five weeks during which compensation for total disability may be payable, and the payments made on account of such partial disability shall be deducted from the maximum of *sixteen thousand one hundred and fifty dollars* [fifteen thousand three hundred dollars].

(2) In case of the following injuries or disabilities from occupational disease the disability shall be considered total and permanent:

(a) The total permanent loss of sight in both eyes;

(b) The loss of both feet at or above the ankle;

(c) The loss of both hands at or above the wrist;

(d) A similar loss of one hand and one foot;

(e) A similar loss of one hand and one eye;

(f) A similar loss of one foot and one eye;

(g) A disability to the spine, resulting in permanent and complete paralysis of both arms or both legs, or of one arm and one leg;

(h) A disability to the skull resulting in incurable insanity or imbecility.

(3) The enumeration in subsection (2) is not exclusive, but in all other cases the burden of proof shall be on the claimant to prove that his injuries or disability resulting from an occupational disease have resulted in permanent total disability.

(4) Compensation for an injury or disability to a member shall not exceed the amount allowable for the loss of such member unless the effects of the injury or disability extends beyond the member to the body as a whole so that it destroys a workman's general ability to labor or precludes him from obtaining the kind of work he is customarily able to do.

Section 2. Section 342.100 of the Kentucky Revised Statutes is amended to read as follows:

In case of an injury or disability from an occupational disease resulting in temporary partial disability, the employe shall receive during such disability, except the first seven days thereof, a weekly compensation equal to sixty-five percent of the difference between his average weekly earnings before the injury or disability from an occupational disease and the average weekly earnings that he earns, or is able to earn, in some suitable employment during such disability, not to exceed four hundred weeks from the date of injury, or from the date his disability from an occupational disease began; nor exceeding the sum of *thirty-three dollars* [thirty-one dollars] per week nor the maximum sum of *thirteen thousand and two hundred dollars* [twelve thousand four hundred dollars]. If partial disability follows a period of total disability, the period of total disability shall be deducted from the maximum period allowed for partial disability.

Section 3. Section 342.105 of the Kentucky Revised Statutes is amended to read as follows:

For injuries or disabilities from an occupational disease enumerated in the following schedule the employe shall receive, in addition to temporary total disability compensation for the period of actual total disability, not exceeding twenty weeks, a weekly compensation equal to sixty-five percent of his average weekly earnings, but not less than sixteen dollars per week nor exceeding *thirty-two dollars* [thirty dollars] per week for the periods stated thereon:

(1) For the loss of a thumb, sixty-five percent of the average weekly wages during sixty weeks.

(2) For the loss of a first finger, commonly called the index finger, sixty-five percent of the average weekly wages during forty-five weeks.

(3) For the loss of a second finger, sixty-five percent of the average weekly wages during thirty weeks.

(4) For the loss of a third finger, sixty-five percent of the average weekly wages during twenty weeks.

(5) For the loss of a fourth finger, commonly known as the little finger, sixty-five percent of the average weekly wages during fifteen weeks.

(6) The loss of the second, or distal phalange, of the thumb shall be considered to be equal to the loss of one-half of the thumb, the loss of more than one-half of thumb shall be considered equal to the loss of the whole thumb.

(7) The loss of the third, or distal phalange of any finger shall be considered to be equal to the loss of one-third of the finger.

(8) The loss of the middle, or second phalange, of any finger shall be considered equal to the loss of two-thirds of the finger.

(9) The loss of more than the middle and distal phalanges of any finger shall be considered equal to the loss of the whole finger, but in no case shall the amount received for more than one finger exceed the amount provided in this schedule for the loss of a hand.

(10) For the loss of a metacarpal bone (bone of the palm) for the corresponding thumb, finger or fingers above add ten weeks to the number of weeks as above.

(11) For ankylosis (total stiffness of) or contractures (due to sears or injuries) which makes the fingers useless, the same number of weeks apply to such finger or fingers (including thumb) as given above.

(12) For the loss of a hand, sixty-five percent of the average weekly wages during one hundred fifty weeks.

(13) For the loss of an arm, sixty-five percent of the average weekly wages during two hundred weeks.

(14) For the loss of one of the toes, other than the great toe, sixty-five percent of the average weekly wages during ten weeks.

(15) For the loss of the great toe, sixty-five percent of the average weekly wages during thirty weeks.

(16) The loss of more than two-thirds of any toe shall be considered to be equal to the loss of the whole toe.

(17) The loss of less than two-thirds of any toe shall be considered to be equal to the loss of one-half toe.

(18) For the loss of a foot, sixty-five percent of the average weekly wages during one hundred twenty-five weeks.

(19) For the loss of a leg, sixty-five percent of the average weekly wages during two hundred weeks.

(20) For the total and permanent loss of the sight of an eye, sixty-five percent of the average weekly wages during one hundred weeks, plus an additional twenty weeks in cases where the eyeball is enucleated.

(21) For the total and permanent loss of hearing in one ear, sixty-five percent of the average weekly wages during seventy-five weeks.

Section 4. Section 342.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) In all other cases of permanent partial disability, including any disfigurement which will impair the future usefulness or occupational opportunities of the injured employe, or employe disabled by an occupational disease, compensation shall be determined according to the percentage of disability, taking into account, among other things, any previous disability, the nature of the physical injury or disfigurement, the occupation of the injured employe and age at the time of injury or at the time the disability from an occupational disease began.

(2) Compensation for an injury or disability to a member shall not exceed the amount allowable for the loss of such member unless the effects of the injury or disability extends beyond the member to the body as a whole so that it adversely affects a workman's general ability to labor, or limit his occupational opportunities to obtain the kind of work he is customarily able to do.

(3) The compensation paid therefor shall be sixty-five percent of the average weekly earnings of the employe but not less than sixteen dollars nor more than *thirty-three dollars* [thirty-one dollars], multiplied by the percentage of disability caused by the injury or occupational disease, for such period as the board determines, not exceeding four hundred weeks nor a maximum sum of *thirteen thou-*

sand two hundred dollars [twelve thousand four hundred dollars]. Compensation payable under this section shall not be affected by the earnings of the employe after the accident, or after his disability from an occupational disease, whether they be the same, or greater, or less than prior to the accident or disability from an occupational disease. Whenever the weekly payments under this section would be less than sixteen dollars per week, the period may be shortened and the payments correspondingly increased to that amount. Where compensation, except as provided in KRS 342.020 and 342.030, is paid under any other provisions of this chapter, the period during which such other compensation is paid shall be deducted from the maximum period which may be paid under this section.

HB 555, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. A new section of the Kentucky Revised Statutes is created to read as follows:

In the case of any corporation transacting business both within and without this state, the Department of Revenue may authorize or require such corporation to determine its net income within this state by means of separate accounting, provided (a) that the net business income allocable to Kentucky under the formula prescribed by KRS 141.120 is substantially greater or lesser than the actual amount of net business income attributable to this state and (b) that its accounting records clearly reflect such net income on a separate accounting basis. Any taxpayer aggrieved by the decision of the department may appeal to the Kentucky Tax Commission and the Franklin Circuit Court in the manner and subject to the conditions provided in KRS 131.110 and 131.120. This section shall apply to all taxable years commencing on or after January 1, 1962.

HB 554, AN ACT relating to weights and measures.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 363.260 of the Kentucky Revised Statutes is amended to read as follows:

The director of the division and inspectors in the employ of the division:

(1) Shall have the powers of peace officers in the enforcement of KRS 363.170 to 363.290;

(2) May enter any premises for the purpose of inspecting, testing and weighing packaged commodities, or measuring or weighing devices;

(3) May arrest, without warrant, any person violating KRS 363.170 to 363.290; and

(4) May seize, *without warrant,* for use as evidence, *or to prevent its sale* [without warrant,] any *illegally packaged commodity or* false or incorrect weight, measure, or weighing or measuring device found to be used, retained, or offered or exposed for sale, or sold in violation of KRS 363.170 to 363.290.

Section 2. Section 363.990 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person who violates any of the provisions of KRS 363.050 shall be fined not less than ten nor more than one hundred dollars, or imprisoned for not more than six months, or both.

(2) Any person who violates any of the provisions of KRS 363.070 or 363.080 shall be fined not less than twenty-five nor more than five hundred dollars for each offense.

(3) Any person violating KRS 363.090 shall be fined not less than five nor more than twenty dollars.

(4) Any person who violates any of the provisions of subsection (1) of KRS 363.100 shall for each offense be fined five dollars for the use of the school district in which the mill is located.

(5) Any person who violates any of the provisions of subsection (2) of KRS 363.100 as to the time, order or quality of grinding or manufacturing, or the amount of toll, shall for each offense forfeit to the party injured ten dollars, recoverable before a justice of peace.

(6) Any person who violates any provision of KRS 363.170 to 363.290, *or any rule or regulation adopted pursuant to KRS 363.220,* shall, for each offense, be fined not less than one hundred nor more than one thousand dollars, or imprisoned for not less than three nor more than twelve months, or both.

(7) Any person who violates any provision of KRS 363.300 and 363.310 shall, for each offense, be fined not less than one hundred nor more than one thousand dollars, or imprisoned for not less than three nor more than twelve months, or both.

HB 522, AN ACT relating to watershed conservancy districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 262.745 of the Kentucky Revised Statutes is amended to read as follows:

A watershed conservancy district shall constitute a public body corporate of the same nature as a soil conservation district as set out in KRS 262.200 and, subject to the approval of the board of supervisors, the board of directors of a watershed conservancy district shall have power to:

(1) Levy an annual tax on the real property within the district within the limitations provided in KRS 262.760 for administration, construction, operation and maintenance of works of improvement within the district;

(2) Acquire by purchase, gift, grant, bequest, devise or through condemnation proceedings in the manner provided in KRS 416.010 to 416.080, such lands or rights of way as are necessary for the exercise of any authorized function of the district, and for such purpose, may cause examinations and surveys to be made of any lands or rights of way necessary for the performance of any authorized function of the district, in the manner provided in subsection (1) of KRS 416.130;

(3) Construct, improve, operate and maintain such structures as may be necessary for the performance of any function authorized by KRS 262.700 to 262.795;

(4) Borrow such money as is necessary for the purpose of acquiring rights of way and establishing, constructing, reconstructing, repairing, enlarging and maintaining such structures and improvements as are required by the district in the performance of its functions, and issue, negotiate and sell its bonds as provided in KRS 262.750.

HB 444, AN ACT relating to the payment of certain expenses of county attorneys, and declaring an emergency to exist.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Each county attorney of the state shall be paid out of the state treasury, each month, begining August 1, 1962, the sum of one hundred and twenty-five dollars, which sum is hereby declared to be the equivalent of the minimum sum that each county attorney will expend each month in the performance of his official duties directed to be performed for the Commonwealth, for postage, telephone service, travel, criminal investigation, supplies, stationery and books for which there are no provisions for payment. The Commissioner of Finance shall, on the first of each month beginning August 1, 1962, draw his warrant on the Treasurer in favor of each county attorney for the sum stated in this section, and the same shall be paid from the revolving fund created by Section 2 of this Act. The sums so received shall be expended by each county attorney in his discretion, the manner in which the same shall be applied in payment or reimbursement of such expenses being determined by such officer.

Section 2. To provide the revenue necessary to carry out the provisions of this Act, a state docket fee of two dollars and fifty cents, in addition to fees now provided by law is hereby levied upon each conviction in each criminal case carrying a fine when the fine is paid into the State Treasury. The funds raised by such tax shall be paid in the State Treasury, and shall be deposited into a revolving fund which hereby is created and designated the County Attorney's State Expense Account, and from which fund the appropriations under this Act shall be disbursed.

Section 3. Any surplus in excess of forty-five thousand dollars which shall have accumulated to the County Attorneys' State Expense Account at the close of any fiscal year, subsequent to the close of the fiscal year 1961-1962, shall be transferred to and become a part of the General Fund of the Commonwealth.

Section 4. Whereas, present economic conditions are such as to impose an unconscionable burden upon the county attorneys of the Commonwealth in the performance of the duties directed to be performed for the Commonwealth, and to create a threat to the expeditious and efficient administration of law enforcement, an emergency is declared to exist and this Act shall take effect upon its passage and approval by the Governor.

HB 155, AN ACT relating to the selection and fees of jurors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In any county containing a city of the second class, the judge of the county court shall each year select a list of not less than three hundred qualified citizens and residents from the last returned tax records for the county for service as jurors in the county, quarterly and justice's courts.

Section 2. The judge shall place the name and address of each person so selected on a small slip of paper, each slip being as near the same size and appearance as practicable. Each slip shall then be deposited in a revolving drum. The drum shall be emptied once each year prior to the depositing of slips selected from the new list. The drum shall be kept locked and the key to the drum shall be kept by the clerk of the county court.

Section 3. Whenever a jury is needed for jury service in the county, quarterly and justice's courts, the judge of the court needing such jury shall select the requisite number of names from the drum for service on such jury and said persons shall be summoned by a peace officer of the county. The clerk of the county court shall at the request of a judge of the county, quarterly and justice's courts, open the drum to permit the drawing of juror's names whenever such jurors are needed.

Section 4. In the event that the jury panel is exhausted prior to the expiration of the time when the county judge must draw a new list, the judge of the court needing such jury may compel a peace officer of the county to summon jurors whose names he may obtain from the county tax rolls.

Section 5. Each person whose name is drawn from the drum for jury service in the county, quarterly and justice's courts shall receive one and a half dollars per day for each day they are required to be and are in attendance, even though they are not sworn or accepted for jury service.

Section 6. Section 29.390 of the Kentucky Revised Statutes is amended to read as follows: (1) Grand jurors and petit jurors in circuit court shall each be paid five dollars per day for jury service. Persons whose names are on the jury list for jury service in circuit court, or are summoned under KRS 29.280 to supply a deficiency, who appear in person in court in response to summons, who reside outside the corporate limits of the city in which the court sits, and who do not claim exemption or ask to be relieved from jury service, shall receive five dollars per day for each day they are required to be and are in attendance, even though they are not sworn or accepted for jury service.

(2) When kept together overnight in custody of the sheriff, petit jurors shall receive five dollars additional for each night they are kept together.

(3) In courts inferior to the circuit court, except in counties containing a city of the second class, each juror shall be paid fifty cents for each case in which he serves, but if the same juror serves on more than two juries in one day he shall not be allowed a fee for the cases in excess of two.

[(4) In courts inferior to the circuit court, in counties containing a city of the second class, each juror shall be paid $1.50 for each case in which he serves, but if the same juror serves on more than two juries in one day he shall not be allowed a fee for the cases in excess of two.]

HB 251, AN ACT relating to sheriff's fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.090 of the Kentucky Revised Statutes is amended to read as follows:

Sheriffs may charge and collect for the following services the following fees:

Executing and returning process	*$2.00*	[$1.00]
Serving an order of court and return	*2.00*	[1.00]
Summoning each witness	*1.00*	[.50]
Summoning an appraiser or reviewer	*1.00*	[.40]
Each day's attendance in the county on a jury or attending a surveyor, when ordered by a court	*2.00*	[1.00]
Taking any bond that he is authorized or required to take in any action	*2.00*	[1.00]

Collecting money under execution or distress warrant, if the debt is paid or the property sold, or a delivery bond given and not complied with, six percent on the first three hundred dollars and three percent on the residue; when he levies an execution or distress warrant, and the defendant replevies the debt, or the writ is stayed by legal proceedings or by the order of the plaintiff, half of the above commissions, to be charged to the plaintiff and collected as costs in the case.

Taking a recognizance of a witness	*$1.00*	[$ .50]
Levying an attachment	*2.50*	[1.50]

When property attached is sold by an officer other than the officer levying the attachment, the court shall, in the judgment, make the officer an additional and reasonable allowance for levying the attachment, and the fee of the officer selling the property shall be lessened by that sum. Reasonable charges for removing and taking care of attached property shall be allowed by order of court.

Summoning a garnishee	*$2.00*	[$1.00]
Summoning a jury in a misdemeanor case, attending the trial, and conducting the defendant to jail, to be paid by the party convicted	*7.00*	[5.00]
Serving process or arresting the party in misdemeanor cases, to be paid by the plaintiff	*7.00*	[6.00]
Serving an order or process of revivor	*2.00*	[1.00]
Executing a writ of possession against each tenant or defendant	*7.00*	[6.00]
Executing a capias ad satisfaciendum, the same commission as collecting money on execution. If the debt is not paid, but stayed or secured, half commission.		
Summoning and attending a jury in a case of forcible entry and detainer, besides fees for summoning witnesses	*6.00*	[5.00]
Collecting militia fines and fee-bills, ten percent, to be deducted out of the fee-bill or fine.		
Levying for a fee-bill	*2.00*	[1.00]
Serving a notice	*2.00*	[1.00]
Serving warrants or process of arrest in bastardy cases	*6.00*	[5.00]
Serving each order appointing surveyors of roads, to be paid out of the county levy	*1.00*	[.50]
Serving each summons or order of court in applications concerning roads, to be paid out of the county levy if the road is established, and in all other cases to be paid by the applicant	*1.00*	[.50]
Like services in cases of private passways to be paid by the applicant	*1.00*	[.50]

Services rendered in cases in the quarterly courts, the same fees given to constables in all cases where the amount claimed is $50 or under.		
Executing each writ of habeas corpus, to be paid by the petitioner	*2.00*	[1.00]
All services under a writ issued under KRS 381.460 to 381.570	*5.00*	[4.00]
Attending by himself or deputy all terms of the county courts, and quarterly courts and the allowance per day, shall be allowed by the county judge and paid out of the county levy, not exceeding	*5.00*	[4.00]
Attending by himself or by deputy and keeping order in the circuit court, to be paid out of the State Treasury, for each day	*7.00*	[6.00]
Performing the duties of jailer, the same fees and allowances that are prescribed for jailers.		
For services in summoning Grand and Petit Jurors and performing his duties under KRS 29.160, 29.170 and 29.280 the sheriff shall be allowed, for each person so summoned, and paid out of the State Treasury the sum of	*1.00*	[.50]

HB 252, AN ACT relating to sheriff's, constable's, coroner's, marshal's, and policemen's fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) Sheriffs, constables, coroners, marshals and policemen shall be paid out of the State Treasury for the following services the following fees:

Apprehending a person on charge of felony, or a fugitive from justice charged with a felony in this state	*$3.00*	[$2.00]
Executing a process of contempt in a criminal case when the court excuses the contempt	*1.60*	[.60]
Executing a summons upon a witness in behalf of the Commonwealth in a felony case	*.75*	[.20]
Summoning a jury, on order of a court, in a county other than that in which the action is pending, a reasonable allowance to be fixed by the court.		
Summoning and attending a jury in a case of felony	*2.50*	[1.50]

(2) No claim for services incidental to examining courts shall be allowed to any sheriff, deputy sheriff, constable, marshal, police-

man or other officer authorized to execute process in felony cases until the grand jury has returned an indictment for a felony.

HB 253, AN ACT relating to the mileage allowance to be paid to sheriffs, deputy sheriffs and constables for serving notices, subpoenas and summonses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 64.095 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each sheriff, [or] deputy *sheriff or constable* [acting under each sheriff] in each county executing a notice, subpoenas or summons shall be paid his expenses in the service of such papers through the payment of miles traveled by such sheriff, [or] deputy sheriff *or constable* at the rate of *ten* [seven] cents per mile.

(2) The sheriff, *deputy sheriff or constable* shall be paid the mileage by the litigants in any criminal or civil action at the time of the delivery of such notice, subpoena or summons.

(3) If such litigant is financially unable to make such payments, he may take the oath in "Forma Pauperis."

(4) The provisions of this section shall not apply with relation to the delivery of a notice, subpoena or summons on behalf of the Commonwealth of Kentucky.

HB 254, AN ACT relating to the compensation of sheriffs for collecting state and county taxes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 134.290 of the Kentucky Revised Statutes is amended to read as follows:

(1) The sheriff shall be allowed by the Department of Revenue, for collecting state taxes, a commission of ten percent upon the first *ten* [five] thousand dollars in counties having an annual tax assessment of $35,000,000.00 or less and in all other counties ten percent upon the first five thousand dollars, and in all counties and four percent upon the residue collected or accounted for and paid into the State Treasury in each year.

(2) He shall be allowed by the county treasurer, for collecting the county revenue, ten percent upon the first *ten* [five] thousand dollars collected in counties having an annual tax assessment of $35,000,000.00 or less and in all other counties ten percent upon the first five thousand dollars, and in all counties four percent upon the residue.

(3) In counties containing a population of less than seventy-five thousand, the aggregate annual compensation of the sheriff for

official services shall not exceed seven thousand two hundred dollars, independent of the compensation of legally authorized deputies and assistants and reasonable expenses as limited by the fiscal court.

HB 362, AN ACT relating to transportation.

WHEREAS, restrictions upon the rights of carriers to compete on equal terms for traffic are not in the interest of the citizens of Kentucky; and

WHEREAS, restraints upon such competition may injure industries located in Kentucky by making them less able to compete for markets; and

WHEREAS, agreements in restraint of trade are not in keeping with public policy of Kentucky,

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context requires otherwise, the term "labor organization" means any organization of any kind, or any agency or employe representation committee or plan, in which employes participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment or conditions of work.

Section 2. It shall be unlawful for any carrier or shipper of property, or any association of such carriers or shippers, to agree to pay, or to pay, to or for the benefit of a labor organization, directly or indirectly, any charge by reason of the placing upon, delivery to, or movement by rail, or by a railroad car, of a motor vehicle, trailer or container which is also capable of being moved or propelled upon the highways.

Section 3. It shall be unlawful for any labor organization to accept or receive or to agree to accept or receive from any carrier or shipper of property, or any association of such carriers or shippers, any payment described in Section 2 of this Act.

Section 4. Any corporation, association, organization, or person that violates Sections 2 and 3 of this Act shall be fined not less than one hundred dollars nor more than one thousand dollars for each offense. Each act of violation, and each day during which such an agreement remains in effect, shall constitute a separate offense.

HB 337, AN ACT relating to jailer's fees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) Jailers shall be paid out of the county treasury, except as provided in subsection (2) of this section, the following fees for the following services:

Attending county and quarterly court per day not exceeding $6.00

Furnishing fuel and lights to county and quarterly court, except as provided in KRS 67.150, a reasonable compensation, not exceeding, per day $2.00

Putting a prisoner in irons, for an offense other than a felony or contempt besides the cost of irons .50

Keeping and dieting prisoners in jail, in counties not containing a city of the first class, when confined for an offense other than a felony or contempt of court, per day [1.75] *2.00*

Keeping and dieting prisoners in jail, *in counties containing a city of the first class,* when confined for an offense other than a felony or contempt of court [a fee equal to the reasonable cost of providing such services, not exceeding,] per day [1.75] *2.50*

Imprisoning and releasing a prisoner charged with a misdemeanor .75

(2) Where the prisoner is confined for a breach of the bylaws or ordinances of a city, or for a violation of a statute where the city gets the benefit of the fine, the fees for keeping and dieting the prisoner and for imprisoning and releasing him shall be paid by such city.

(3) Jailers shall be paid out of the State Treasury the following fees for the following services:

Imprisoning and releasing a prisoner charged with a felony or contempt .75

Keeping and dieting a prisoner charged with a felony or contempt, *in counties not containing a city of the first class,* per day [1.75] *2.00*

Keeping and dieting a prisoner charged with a felony or contempt, in counties containing a city of the first class, per day 2.50

Putting a prisoner charged with a felony or contempt in irons, to secure his safekeeping in the jail, besides the cost of the irons .50

Each day's attendance upon the circuit court 6.00

Furnishing fuel, light and water to the circuit court, not exceeding, per day 2.00

(4) For all other services performed by the jailer, he shall receive the same fees paid to sheriffs for like services.

HB 394, AN ACT relating to foreign lending institutions.

WHEREAS, it is desirable and in the public interest of the citizens of this state to encourage foreign lending institutions to lend money within this state for the purpose of the development of property within this state; and

WHEREAS, burdensome statutes relating to the qualifications of such foreign corporations and burdensome tax requirements discourage such foreign corporations from doing business within Kentucky and discourage foreign corporations from making mortgage money available within this state;

NOW, THEREFORE,

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the content requires otherwise, "foreign lending institution" includes but is not limited to:

(1) Any foreign banking corporation;

(2) Any foreign corporation, all of the capital stock of which is owned by one or more foreign banking corporations;

(3) Any foreign savings and loan association;

(4) Any foreign insurance company; or

(5) Any foreign corporation or association authorized by its charter to invest in loans secured by property and organized under the laws of any other state.

Section 2. A foreign lending institution shall not be considered to be doing, transacting or carrying on business in this state solely by reason of engaging in any or all of the following activities, either on its own behalf or as a trustee of a pension plan, employe profit-sharing or retirement plan, testamentary or intervivos trust, or in any other fiduciary capacity:

(1) The acquisition by purchase, by contract to purchase, by making or advance commitments to purchase, or by assignment to it of loans or any interest in loans, which loans are in the original principal sum of more than five thousand dollars and which are secured in whole or in part by mortgages, deeds of trust or other forms of security on real property (or personal property in connection with loans primarily secured by real estate) in this state, if such activities are carried on from outside this state by the lending institution or within this state by independent agencies on behalf of such foreign lending institution.

(2) The making of physical inspections and appraisals of real or personal property which secures or is proposed to secure any loan by an officer or employe of a foreign lending institution, if the of-

ficer or employe making any physical inspections and appraisals is not a resident of and does not maintain his place of business in this state.

(3) The ownership of any loans and the enforcement of any loans by trustee's sale, judicial process or deed in lieu of foreclosure or otherwise.

(4) The modification, renewal, extension, transfer or sale of loans or the acceptance of additional or substitute security therefor or the full or partial release of the security therefor or the acceptance of substitute of additional obligors thereon, if the activities are carried on from outside this state by the lending institution or carried on within this state by independent agencies.

(5) The maintaining and defending of any action or suits relating to loans, mortgages, deeds of trust, security instruments or related agreements or activities referred to therein or incidental thereto.

(6) The engaging by contractual arrangement of a corporation, firm or association, qualified to do business in this state, which is not a subsidiary or parent of the lending institution or which is not under common management with the lending institution, to make collections and to service loans in any manner whatsoever, including the payment of ground rents, taxes, assessments, insurance and the like and the making, on behalf of the lending institution, of physical inspections and appraisals of real or personal property securing any loans or proposed property which is proposed to secure any loans, and the performance of any such engagement.

(7) The acquisition of title to the real or personal property covered by any mortgages, deeds of trust, or other security instrument, by trustees, pledgees or judicial sales, or by deed in lieu of foreclosure or for the purpose of transferring title to any federal agency or instrumentality as the insurer or guarantor of any loans, the maintenance or defense of any action or suit relating to the possession of the property, and the retention of title to any real or personal property so acquired pending the orderly sale or other disposition thereof. Nothing in this Act shall be construed as relieving any institution or corporation which operates, manages or conducts any business enterprises acquired by it upon foreclosure or in lieu of foreclosure from complying with any statute of this state otherwise applicable or from the payment of any taxes to which it would otherwise be subject by reason of the operation, management or conduct of any business enterprise.

(8) The maintenance of bank accounts in banks, authorized or licensed to do and transact a banking business in this state.

(9) The engaging in activities necessary or appropriate to carry out any of the activities described in this section.

Section 3. (1) Any foreign lending institution which has not qualified to do business in this state under the provisions of KRS 271.055 and 271.385 and which engages in any of the activities set forth in Section 2 of the Act shall be deemed to have appointed the Secretary of State of this state as its agent for the service of process in any civil actions instituted in the courts of this state against such corporation involving a cause of action arising out of or connected with any of the activities permitted in Section 2 of this Act. The plaintiff in such an action shall set forth in his complaint the post-office address of the home office of the foreign institution.

(2) A plaintiff desiring to obtain service on a foreign lending institution under this section shall cause two copies of his complaint together with two copies of the summons to be served upon the Secretary of State. The Secretary of State shall immediately forward one copy of the complaint and one copy of the summons by registered mail to the foreign lending institution at its home office as shown in the plaintiff's complaint or as shown in the statement referred to in subsection (3) of this section. The process server shall make the usual return to the court and, in addition, the Secretary of State shall make a return to the court showing that the action contemplated by this subsection has been performed and shall attach to his return the registered receipt, if any. Jurisdiction over the corporation shall not attach until the return by the Secretary of State is filed.

(3) Any foreign lending institution may file with the Secretary of State a statement showing its principal place of business and home office to which any notice or process may be sent to it and upon the filing of such a statement the Secretary of State will mail any complaint or summons or notice contemplated in the foregoing article to the foreign lending institution at the address set out in the statement provided for in this subsection.

(4) For service under this section the plaintiff shall cause to be paid to the Secretary of State a fee of $5.00 at the time the complaint and summons are served upon the Secretary of State, which fee shall be taxed as costs in the action.

Section 4. No foreign lending institution solely by reason of engaging in any one or more of the activities set forth in Section 2 of this Act shall be required to qualify to do business in this state, nor shall the engaging in any of the activities set forth in Section 1 of this Act cause the foreign lending institution to have a situs within this state for the purpose of any kind of state or local taxation other than ad valorem taxes on real estate in this state, and none of the activities set forth in Section 2 of this Act shall subject such a foreign lending institution to any taxes by this state other than ad valorem taxes on real estate.

Section 5. This Act shall not be construed so as to make any act or series of acts when performed in this state by a foreign corporation constitute the doing of business in this state which would not have constituted the doing of business in this state before the effective date of this Act.

HB 198, AN ACT relating to firemen.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 79.080 of the Kentucky Revised Statutes is amended to read as follows:

Cities of all classes and counties and the agencies of cities and counties are authorized to establish and operate plans for the payment of retirement, disability or hospitalization benefits to their employes. Such a plan may require employes to pay a percentage of their salaries into a fund from which benefits are paid, or the city, county or agency may pay out of its own funds the entire cost of the benefits. A plan may include a combination of contributions by employes and by the city, county or agency into a fund from which benefits are paid, or it may take any form desired by the city, county or agency. Each city, county or agency may make rules and regulations and do all other things necessary in the establishment and operation of such a plan; *provided, however, that when a fireman is adjudged disabled because of a heart disease, and if evidence of such disease was not revealed by a physical examination passed by the member upon entry into the department, he is presumed to have incurred the disease while performing his official duties unless contrary evidence is produced and concurred in by two out of three doctors, one doctor to be chosen by the pension board, one by the member, and the third doctor by the two doctors previously appointed. The decision of the doctors shall be binding upon the pension board, and if the decision is in favor of the member he shall receive an occupational disability pension as provided by the terms of the pension fund of which he is a member.* The term "agency" as used herein shall include boards appointed to operate water works, electric plants, hospitals, airports, housing projects, golf courses, parks, health departments, or any other public project.

HB 332, AN ACT relating to county circuit clerks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 64.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) Circuit clerks shall be paid out of the State Treasury for the following services the following fees:

Certified list of grand or petit jurors to the sheriff or other officer	$ .25

Filing same when returned by sheriff, and writing names of jurors on slips of paper	.25
Order excusing juror, for each juror excused, except regular panel	.25
Noting names of standing jurors on order book	.25
Order for sheriff or other officer to summon other jurors, each order	.10
Noting on order book the allowance to grand or petit jurors, each	.02
Order appointing and swearing jury commissioners	.25
Furnishing to jury commissioners names of persons exempted from service	.25
Recording receipt of envelope of sealed return of jury commissioner, and the oath of clerk and deputy	.25
In Commonwealth cases, in addition to other fees, ten percent of all fines and forfeitures recovered in their respective courts and paid into the State Treasury.	
In inquests on persons alleged to be feeble-minded, lunatics or pauper idiots	$10.00

(2) (a) Circuit clerks shall be paid *ten* [five] dollars out of the State Treasury for services rendered for the Commonwealth in each prosecution for felony in their respective courts, except those in which the defendant is convicted only of a misdemeanor. A verified statement of such services must first be made out by the clerk and endorsed "Examined and approved" by the regular judge and Commonwealth's attorney, and filed with the Department of Finance after the case has been taken from the docket of the court. In all cases of conviction for a felony the fee of *ten* [five] dollars herein allowed shall be taxed against the defendant as costs in favor of the Commonwealth.

(b) If a felony indictment is quashed or dismissed with leave granted to resubmit the charge to a grand jury, and a subsequent indictment is returned for the same crime, or any degree thereof consisting of a felony, the prosecution shall be deemed a continuous one for the purposes expressed in this subsection; but if no indictment is procured or returned upon resubmission before the expiration of the term after the term reciting the order of resubmission, the clerk may claim and have his fee paid immediately.

(3) When the Commonwealth appeals from a judgment in a felony case, the circuit clerk shall be paid *ten* [five] dollars, in the same manner stated in subsection (2) (a) of this section, for making out and certifying a transcript for the appeal.

HB 56, AN ACT relating to water systems.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 96.150 of the Kentucky Revised Statutes is amended to read as follows:

Any city that owns or operates a water supply system may extend the system into, and furnish and sell water to any person within, any territory contiguous to the city that lies within *ten* [five] miles of the corporate limits, and may install within that territory necessary apparatus. For this purpose the city may condemn or otherwise acquire franchises, rights and rights of way, as private corporations may do.

Section 2. Whereas, many cities that own and operate water supply systems are being compelled to seek more distant sources of supply and the authority to furnish and sell water to persons within the more distant territory as permitted by this amendment will increase the water revenues of the respective cities, an emergency is declared to exist, and this Act shall become effective upon its passage and approval by the Governor.

HB 441, AN ACT relating to riverports.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, unless the context otherwise requires:

(1) "Riverport authority" or "authority" means an authority established as provided in this Act;

(2) "Riverport facilities" includes land, wharves, landings, buildings, equipment, and other improvements and appurtenances necessary or proper for the establishment and maintenance of riverports;

(3) "Governmental units" means any city or the combination of any two or more cities, any county or combination of two or more counties, or any city or cities acting jointly with any county or counties;

(4) "Person" means any individual, firm partnership, corporation, company, association, joint stock association, or body politic, and includes any trustee, receiver, assignee, or other similar representative thereof.

Section 2. (1) Any governmental unit by act of its legislative body may establish a nonpartisan riverport authority to be composed of six members.

(2) The authority shall be a body politic and corporate with the usual corporate attributes, and in its corporate name may sue and be sued, contract and be contracted with and do all things reasonable or necessary to effectively carry out the duties prescribed by this Act.

(3) The members of the authority shall be appointed as follows:

(a) If the authority is established by a city, such member shall be appointed by the mayor of the city;

(b) If the authority is established by a county, such member shall be appointed by the county judge;

(c) If the authority is established as a joint city-county riverport authority, three members shall be appointed by the mayor and three members by the county judge;

(d) If a combination of cities and/or counties establishes a joint riverport authority, the mayors and/or county judges involved shall jointly choose six members, and shall jointly choose successors.

(4) Members of the authority shall serve for a term of four years each, and until their successors are appointed and qualified, provided, however, that initial appointments shall be made so that two members are appointed for two years, two members for three years and two members for four years. Upon expiration of these staggered terms, successors shall be appointed for a term of four years.

(5) Members of the authority shall serve without compensation but shall be reimbursed for any actual and necessary expenses incurred by them in the conduct of the affairs of the authority. The authority shall, upon the appointment of its members, organize and elect officers. The authority shall choose a chairman and vice-chairman who shall serve for terms of one year. The authority may fix a salary for the secretary-treasurer, and the secretary-treasurer shall execute an official bond to be set and approved by the authority, and the cost thereof shall be paid by the authority.

(6) The authority may employ necessary counsel, agents and employees to carry out its work and functions, and prescribe such rules and regulations as it deems necessary.

(7) The secretary-treasurer shall keep the minutes of all meetings of the authority and shall also keep a set of books showing the receipts and expenditures of the authority. He shall preserve on file duplicate vouchers for all expenditures and shall present to the authority, upon request, complete reports of all financial transactions and the financial condition of the authority. Such books and vouchers shall at all times be subject to examination by the legislative body or bodies by whom the authority was created. He shall transmit at least once annually a detailed report of all acts and doings of the authority to the legislative body or bodies by whom the authority was created.

(8) In the event that a joint riverport authority is created by cities and/or counties, and thereafter a city or cities or county or counties desire to withdraw from participation, then the remaining participants may jointly choose a successor member or members of

the authority. No such withdrawing city or cities or county or counties shall be entitled to the return of any money or property advanced such authority.

(9) A quorum for the transacting of the business of the authority shall consist of four members. Meetings of the authority may be called by the chairman or by four members. In case of tie voting by the authority, the issue shall be deemed to have failed passage.

(10) A riverport authority member may be replaced by the appointing authority upon a showing to such appointing authority of misconduct as a riverport authority member or upon conviction of a felony. No riverport authority member shall hold any official office with the appointing authority.

Section 3. (1) The purpose of the authority shall be to establish, maintain, operate and expand necessary and proper riverport and river navigation facilities. It shall have the duty and such powers as may be necessary or desirable to promote and develop navigation, including river transportation, riverports and riverport facilities.

(2) The authority shall establish and fix reasonable rates, charges and fees for the use of the riverport facilities which shall be published in a newspaper of general circulation in the county in which the riverport is located. In fixing such rates, charges or fees the authority may take into consideration, among other factors, the total capital investment of the authority, the revenue needed properly to maintain such facilities, the revenue needed properly to expand the riverport and its facilities, the portion of the facilities utilized by the licensee or contracting party and its customers and the volume and type of business conducted. Any party aggrieved by the rates, charges or fees may appeal from the action of the authority to the circuit court of the county within which the authority operates, within ninety days from the date that the authority finally publishes such rates, charges or fees and gives notice of same to the contracting party or licensee. The circuit court may hear evidence and determine whether or not the rates, charges or fees are, or are not, reasonable in amount. Appeal from the judgment of the circuit court may be prosecuted as any other civil appeal.

(3) The authority shall also have power, from time to time, to fix rates, charges or fees by contract, or by publishing general rates, charges or fees for commercial vendors, concessionaries or other persons for the use or occupancy of riverport facilities under such terms and conditions as it may deem to be in the best interest of maintaining, operating or expanding necessary riverport facilities, and the public use thereof.

(4) The authority may acquire by contract, lease, purchase, gift, condemnation or otherwise any real or personal property, or rights therein, necessary or suitable for establishing, operating or expanding riverports and water navigation facilities. The authority may erect, equip, operate and maintain on such property buildings and equipment necessary and proper for riverport and water navigation facilities. The authority may dispose of any real or personal property, or rights therein, which, in the opinion of the authority are no longer needed for operating or expanding the riverport or water navigation facilities.

(5) The authority may by resolution, reciting that the property is needed for riverports or water navigation purposes, including spoilage areas for the disposal of materials dredged from river bottoms in an effort to improve the navigability of the river at that point, direct the condemnation of any property. The procedure for condemnation shall conform to the procedure set out in KRS 416.120.

Section 4. In order to provide money for the purchase of property necessary for the establishment or expansion of riverports and to construct, equip and maintain facilities necessary or suitable for riverport purposes, the legislative body of any governmental unit creating the riverport authority under this Act may make an annual appropriation from its general fund; or such governmental unit may make an annual levy to collect a tax on taxable property situated in the governmental unit for such riverport development. Any appropriation shall be made by the legislative body in such amounts, in such proportion and upon such terms as the legislative body may determine. All funds derived from such appropriation or tax shall be turned over to the riverport authority for the purpose of carrying out the duties and powers of the authority.

Section 5. The authority may borrow money on its own credit in anticipation of revenue to be derived from taxes, appropriations or other income. For such purposes the authority may pledge the taxes, appropriations or income anticipated. The authority may pledge the riverport and the riverport facilities as security for moneys borrowed.

Section 6. (1) The authority is authorized to defray the cost of acquiring any land or riverport facilities through the issuance of revenue bonds, and for that purpose the authority shall have all the powers and duties that are granted to or imposed upon governmental units and the legislative bodies thereof.

(2) The authority may, as an alternative method and in addition to all other methods provided by law, acquire, construct, maintain, add to and improve riverports and riverport facilities and issue revenue bonds in connection therewith under the terms and provisions of KRS Chapter 58 and under said law the term "govern-

mental agency" means the authority and the term "public project" means riverports and riverport facilities.

Section 7. The authority may contract with any person or governmental agency for the use of the riverport and riverport facilities. Such contract shall not prevent, restrict or hamper the general use of the riverport by the public.

(2) All unpledged or surplus revenue derived from the use of the riverport and the riverport facilities shall be first applied to the maintenance of the riverport and the riverport facilities. A governmental unit may expend funds for this purpose out of its general funds or any other available funds.

Section 8. The title to all property acquired by the authority shall vest in the authority. All property acquired for the establishment and maintenance of a riverport or riverport facilities shall be exempt from taxation to the same extent as other property used for public purposes. All fees charged by the authority or collected by the authority for the admission to or use of the riverport or its facilities shall also be exempt from taxation.

Section 9. The acquisition of any lands for the purpose of establishing riverports or riverport facilities; the acquisition, establishment, construction, enlargement, improvement, maintenance, equipping and operation of riverports and riverport facilities, and the exercise of any other powers granted to riverport authorities in this Act, are hereby declared to be public and governmental functions, exercised for a public purpose, and matters of public necessity, and such lands and other property, easements and privileges acquired and used by such riverport authorities in the manner and for the purposes enumerated in this Act shall and are hereby declared to be acquired and used for public and governmental purposes and as a matter of public necessity.

Section 10. Any riverport authority created pursuant to this Act may indemnify the United States against any claims for damages, and any damage, that may result by overflow of the river from its being improved by the United States.

Section 11. (1) Any riverport authority created pursuant to this Act may make commitments to the United States to provide certain specific minimum facilities and to provide spoilage areas when such commitments are necessary to obtain the assistance of the United States in improving the navigability of any river.

(2) Any such commitments made pursuant to this section shall be with the approval of the appointing authority.

HB 451, AN ACT relating to the acquisition of ferries within certain distances of interstate bridges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act, "interstate bridge" shall mean any bridge across a navigable stream one terminus of which is located in the Commonwealth of Kentucky and the other terminus of which is located in a neighboring state other than the Commonwealth of Kentucky.

Section 2. The provisions of this Act shall apply to any bridge or bridges constructed by any agency, commission or administrative body of the Commonwealth of Kentucky acting alone or in conjunction with any agency, commission or administrative body of any other state, or the Federal Government.

Section 3. Prior to the opening for public use of any interstate bridge, the construction of which is authorized by any law of the Commonwealth of Kentucky, regardless of the state agency, commission or administrative body so authorized to make such construction, the state agency, commission or administrative body so authorized to construct, operate and maintain any such interstate bridge shall purchase the ferry, equipment, franchises, rights and privileges used in connection with the operation of any ferry which has been in continuous operation for at least fifteen years prior thereto and which is located within five miles of the site of said bridge, and pay the owner therefor a fair cash value; provided, that in the event such agency, commission or administrative body and the owner of such ferry shall be unable to agree upon a fair cash value, the valuation of such property shall be determined by three persons; one to be selected by the agency authorized to make such construction, one to be selected by the owners of the ferry and the third to be selected by these two. The ferry shall be valued as a going concern, but no allowance shall be made for future growth. In the event the owner of such ferry shall not agree to the establishment of such valuation according to the foregoing method, then in such event, the agency, commission or administrative body shall not be required to purchase such assets from the owner of the ferry.

Section 4. Should the Commonwealth of Kentucky, or any agency, commission or administrative body thereof, join with any other state or any agency, commission or administrative body thereof for the purpose of constructing any bridge or bridges as herein referred to, the parties to such joint venture or undertaking shall agree as to which of them shall proceed to acquire a ferry or ferries, as referred to in Section 3 hereof.

Section 5. All Acts in conflict herewith are repealed.

HR 83, A CONCURRENT RESOLUTION directing the Legislative Research Commission to study the desirability of taxing forest products in lieu of real property taxes as now imposed.

WHEREAS, the taxes now imposed on timberland are inequitable; and

WHEREAS, a tax imposed on the primary product produced from the land would eliminate many of the tax inequities now existing; and

WHEREAS, a more equitable distribution of the tax load on forest land would help to check tax delinquency; and

WHEREAS, a more equitable tax on timberland will militate towards improved forest practices on private lands and thereby enhance the value of the Commonwealth's forest lands;

NOW, THEREFORE,

Be it resolved by the House of Representatives of the Commonwealth of Kentucky, the Senate concurring therein:

Section 1. The Legislative Research Commission is hereby directed to study the desirability of exempting timberland from all taxes as now imposed, and imposing in lieu thereof, a tax on the forest products produced from the land.

Section 2. The Legislative Research Commission shall report its findings and recommendations to the 1964 General Assembly.

HB 487, AN ACT relating to the payment of moving expenses of officers and employees of the Commonwealth.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. *When any state officer or employee is, in the interest of the Commonwealth, transferred from one official station to another, including transfer from one department to another for permanent duty, the expense of moving incident to such transfer may be allowed and paid as an ordinary and necessary governmental expense. Such expense may include, but not be limited to packing, transportation and unpacking of his household goods and personal effects. No part of such expense shall be allowed or paid where the transfer is made primarily for the convenience of the officer or employee or at his request.*

HB 488, AN ACT relating to expense accounts of state officers and employees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 45.180, subsection (1) of the Kentucky Revised Statutes is amended to read as follows:

Except as otherwise provided by law, each state officer or employee who is authorized by law to receive from corporations or from the State Treasury or any fund appropriated out of the State Treasury, his traveling, *moving* or other expenses incident to the discharge of his official duties shall submit to the Department of Finance an itemized statement of such expenses accompanied by a receipt (on a blank furnished by the Department of Finance) for each item of expense in excess of two dollars before the Department shall audit or pay such expenses.

HB 501, AN ACT relating to traffic regulations.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 189.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) Vehicles overtaking other vehicles proceeding in the same direction shall pass to the left of them and shall not again drive to the right until reasonably clear of those vehicles. The person operating or in charge of the overtaking vehicle shall sound his horn or other sound device before passing. Vehicles overtaking street cars may pass either to the right or left when so directed by a police officer, when on a one-way street or where the location of the tracks prevents compliance with this section, with regard for other traffic.

(2) The operator of a vehicle may overtake and pass upon the right of another vehicle which is making or is about to make a left turn. The operator of a vehicle may overtake, and, allowing sufficient clearance, pass another vehicle proceeding in the same direction upon the left or upon the right on a roadway with unobstructed pavement or sufficient width for four or more lines of traffic when the movement can be made in safety. No person shall drive off the pavement or upon the shoulder of the roadway in overtaking or passing on the right.

(3) No vehicle shall be driven to the left side of the center of the roadway in overtaking and passing another vehicle proceeding in the same direction unless the left side is clearly visible and free of oncoming traffic for a sufficient distance ahead to permit overtaking and passing to be completely made without interfering with the safe operation of any vehicle approaching from the opposite direction or any vehicle overtaken. In every event the overtaking vehicle must return to the right-hand side of the roadway before coming within one hundred feet of any vehicle approaching from the opposite direction.

[(4) No vehicle shall at any time be driven to the left side of the roadway under the following conditions:

(a) When approaching the crest of a grade or a curve in the highway where the driver's view along the highway is obstructed;

(b) When approaching within one hundred feet of any bridge, viaduct or tunnel, or when coming within one hundred feet of or traversing any intersection or railroad grade crossing.

The provisions of this subsection shall not apply upon a one-way roadway.]

(4) [(5)] The Commissioner of Highways is hereby authorized to determine those portions of any highway where overtaking and passing or driving to the left of the roadway would be especially hazardous and may by appropriate signs or markings on the roadway indicate the beginning and end of such zones, and when such signs or markings are in place and clearly visible to an ordinarily observant person, every driver of a vehicle shall obey the directions thereof.

(5) [(6)] Whenever any roadway has been divided into three or more clearly marked lanes for traffic the following additional rules shall apply:

(a) A vehicle shall be driven as nearly as may be practical entirely within a single lane and shall not be moved from that lane until the driver has first ascertained that the movement can be made with safety;

(b) A vehicle shall not be driven in the center lane except when overtaking and passing another vehicle where the roadway is clearly visible and the center lane is clear of traffic within a safe distance, or in preparation for a left turn or where a center lane is at the time allocated exclusively to traffic moving in the direction in which the vehicle is proceeding and is signposted to give notice of the allocation;

(c) Official signs may be erected directing slow-moving traffic to use a designated lane or allocating specified lanes to traffic moving in the same direction and operators of vehicles shall obey the directions of such signs.

(6) [(7)] (a) The operator of a motor vehicle shall not follow another vehicle more closely than is reasonable and prudent, having regard for the speed of the vehicle and the traffic upon and condition of the highways.

(b) The operator of any motor truck, semitrailer truck, bus or heavy construction equipment unit when traveling upon a highway outside of a business or residential district shall not follow within 250 feet of another such vehicle or equipment unit. This subsection shall not prevent overtaking and passing, nor shall it apply to any lane specially designated for use of motor trucks or semitrailer trucks, busses or heavy construction equipment units.

Section 2. Section 189.450 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall stop a vehicle, leave it standing or cause it to stop or to be left standing upon the main traveled portion

of a highway; provided, however, that this section shall not be construed to prevent parking off the main traveled portion of a highway or street in a city or suburban area where such parking is otherwise permitted. This subsection shall not apply to:

(a) A vehicle that has been disabled while on the main traveled portion of such a highway in such a manner and to such extent that it is impossible to avoid the occupation of the main traveled portion or impracticable to remove it from the highway until repairs have been made or sufficient help obtained for its removal and shall not apply to wreckers at the scene of accidents or emergency vehicles.

(b) Motor vehicles when required to stop in obedience to the provision of any section of the Kentucky Revised Statutes or any traffic ordinance, regulation or sign or the command of any peace officer.

(c) Vehicles operating as common carriers of passengers for hire and school busses taking passengers on such vehicles or discharging passengers therefrom, provided that *no* such vehicles shall [not] stop for such purposes *in a no-passing area as described in KRS 189.340 (5).* [at any point within one hundred and fifty feet from the brow of a hill or within one hundred and fifty feet from a curve or when a view of any vehicle approaching from either direction is obstructed for a distance of one hundred and fifty feet]

(d) Any vehicle required to stop by reason of an obstruction to its progress.

(2) Whenever any police officer finds a vehicle standing upon such a highway in violation of this section, he may move the vehicle, or require the operator or other person in charge of the vehicle to move it, to a position off the paved or improved or main traveled part of the highway.

(3) Whenever any police officer finds a vehicle unattended upon any bridge or causeway or in a tunnel where the vehicle constitutes an obstruction to traffic, the officer may provide for the removal of the vehicle to the nearest garage or other place of safety.

(4) No person shall stop or park a vehicle except when necessary to avoid conflict with other traffic or in compliance with the directions of a police officer or traffic control device, in the following places:

(a) On a sidewalk;
(b) In front of a public or private driveway;
(c) Within an intersection;
(d) At any place where official signs prohibit stopping; or
(e) Within thirty feet upon the approach to any flashing beacon, stop sign or traffic control signal located at the side of a roadway.

(5) No person shall move a vehicle not lawfully under his control into any such prohibited area.

HB 544, AN ACT relating to parks.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Chapter 148.540 of the Kentucky Revised Statutes is amended to read as follows:

(1) The Department of Parks shall exercise all administrative functions of the state relating to the operation of parks, shrines, monuments, and museums except those allocated to the Historical Society.

(2) All of the functions of the Division of Parks relating to acquiring park property; improving and operating parks, fixing fees and charges for the use of parks; establishing and posting regulations; and commissioning park custodians and employes as peace officers, provided in KRS 148.010, 148.020, 148.030, 148.040, 148.055, 148.060, 148.070, and 148.085 are hereby transferred to and shall be exercised by the Department of Parks.

(3) The Department of Parks is authorized to cooperate with counties, cities, and other political subdivisions of the Commonwealth and with civic and other public service organizations in the planning and promotion of recreational activities.

(4) *The Department of Parks is authorized to enter into any agreements with the Breaks Interstate Park Commission for the operation of any facilities in the Breaks Interstate Park.*

(5) The Department of Parks is authorized to accept on behalf of the state any grant or contribution, federal or otherwise, to assist in meeting the cost of carrying out the functions assigned to the Department of Parks in KRS 148.510 to 148.550.

(6) The Commissioner of Parks may employ or contract with such other persons, firms or corporations as he may deem necessary or desirable to accomplish the duties and functions assigned by law to the Department of Parks; may fix the compensation and the terms of employment or contract of those employed or contracted with; and may assign to them such duties and responsibilities as he may determine; provided, however, that any contract shall be approved by the Commissioner of Finance before it shall become effective.

HB 560, AN ACT relating to boating.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 235.280 of the Kentucky Revised Statutes is amended to read as follows:

The division, with the approval of the Commissioner of Public Safety, shall promulgate rules and regulations to govern:

(a) The fair, reasonable, equitable and safe use of all waters of this state by the fishing public and the boating public of whatever nature or activity involved;

(b) The operation of boats on any waters of this state towing a person or persons on water skis, a surfboard, or similar device; [.]

(c) The safe use and operation of all boats, floating docks, skiing ramps, slides or similar devices on any waters of this state.

HB 266, AN ACT relating to freight charges.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 276.500 of the Kentucky Revised Statutes is amended to read as follows:

(1) All prosecutions under subsections (8), (16), (17), (18) and (28) of KRS 276.990 shall be commenced within two years after the offense was committed.

(2) All actions at law by common carriers for recovery of their charges, or any part thereof, shall be begun within *three* [two] years from the time the cause of action accrues, and not after.

(3) All complaints against common carriers for the recovery of damages not based on overcharges shall be filed with the commission within two years from the time the cause of action accrues, and not after, subject to subsection (5) of this section.

(4) For recovery of overcharges actions at law shall be begun or complaints filed with the commission against common carriers within *three* [two] years from the time the cause of action accrues, and not after, subject to subsection (5) of this section, except that if claim for the overcharge has been presented in writing to the common carrier within the *three-year* [two-year] period of limitation said period shall be extended to include six months from the time notice in writing is given by the common carrier to the claimant of disallowance of the claim, or any part or parts thereof, specified in the notice.

(5) If on or before expiration of the two-year period of limitation in subsection (3) of this section or of the *three-year* [two-year] period of limitation in subsection (4) of this section a common carrier begins action under subsection (2) of this section for recovery of charges in respect of the same transportation service, or, without beginning action, collects charges in respect of that service, said period of limitation shall be extended to include ninety days from the time such action is begun or such charges are collected by the carrier.

(6) The cause of action in respect of a shipment of property shall, for the purposes of this section, be deemed to accrue upon delivery or tender of delivery thereof by the common carrier, and not after.

(7) The term "overcharges" as used in this section shall be deemed to mean charges for transportation service in excess of those applicable thereto under the tariffs lawfully on file with the commission.

Calendar

SB 327, HB 514, HB 94, HB 471, HB 493, HB 463, HB 402, SB 358, HB 95 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected.

Senator Ware moved that the Senate take up **SB 275** for concurrence in the House Amendment to the Title. Agreed.

Title Amendment to **SB 275** is as follows:

Amend printed copy of Senate Bill 275 Title by: "This Act shall be known as the Hunt-Swope Act."

Senator Ware moved the adoption of the House Amendment to the Title of **SB 275.** Agreed.

Senator Ware moved the Senate to take up for concurrence House Committee Substitute for **SB 256.** Agreed.

Senator Ware moved the adoption of the House Committee Substitute for **SB 256.** Agreed.

House Committee Substitute for **SB 256** is as follows:

SB 256, AN ACT relating to city finances in cities of the second class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

The legislative body of a city of the second class in which a municipal college or junior college exists under the provisions of KRS 165.160 to KRS 165.260, inclusive, may, for educational purposes, use and employ all the authority contained in KRS 165.080 to 165.140, inclusive, and KRS 162.340 to 162.380, inclusive, to issue bonds for the benefit of such college.

Senator Ware moved the Previous Question on **SB 256,** as amended. Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 256 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 256**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Ware moved the Senate to take up for concurrence House Amendments to **SB 66.** Agreed.

Senator Ware moved that the Senate concur in House Amendment #1 to **SB 66.** Agreed.

Amendment #1 to **SB 66** is as follows:

Amend printed copy of Senate Bill 66 on page 11, line 13, by: deleting all of line 13 and on page 2 by deleting lines 1 through 8 and substituting in lieu thereof the following:

"(4) Machinery and products in course of manufacture, of individuals or corporations actually engaged in manufacturing, and their raw material actually on hand at their plants for the purpose of manufacture. Individuals or corporations actually engaged in the printing, publication and distribution of a newspaper or operating a job printing plant, or in manufacturing, creating, converting, amplifying, switching, or broadcasting electromagnetic, electrostatic or other electrical impulses for the transmission of voice, music, or other signals, shall be deemed to be actually engaged in manufacturing;"

Senator Overbey moved the Previous Question on **SB 66,** as amended. Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

SB 66 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 66,** as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

The President vacated the chair, President Pro Tem presiding.

Senator Ware moved the Senate to take up for consideration **SB 285,** with the House Amendments attached thereto. Agreed.

Senator Ware moved that the Senate concur in the House Amendment #1 to **SB 285.** Agreed.

House Amendment #1 to **SB 285** is as follows:

Amend printed copy of Senate Bill 285 on page 1, line 1, by: changing the title by adding the following:

By striking the period at the end of the title, inserting a comma and adding: "and declaring an emergency."

Senator Ware moved that the Senate concur in the House Amendment #2 to **SB 285.** Agreed.

Amendment #2 to **SB 285** is as follows:

Amend printed copy of Senate Bill 285 on page 5, after line 3, by:

"Whereas there are areas in the State in immediate need of benefits in this legislation, an emergency is declared to exist and this Act shall become effective upon its passage and approval by the Governor."

Senator Ware moved that the Senate concur in the House Amendment #3 to **SB 285.** Agreed.

House Amendment #3 to **SB 285** is as follows:

Amend printed copy of Senate Bill 285 on page 1, line 10, by: adding after "court" the following:

"Commissioners now serving under appointments shall continue to serve until the end of their respective terms."

Senator Ware moved the Previous Question on **SB 285,** as amended. Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 0.

SB 285 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 285,** as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Ware moved that the Senate take up for consideration concurrence in House Amendment #1 to **SB 115.** Agreed.

Senator Ware moved that the Senate concur in House Amendment #1 to **SB 115.** Agreed.

House Amendment #1 to **SB 115** is as follows:

Amend printed copy of Senate Bill 115 on page 2, lines 27 and 28 by deleting the words "twenty-one nor more than forty-five years of age" and inserting in lieu thereof the following: "eighteen nor have passed his or her forty-sixth birthday."

Senator Ware moved the Previous Question on **SB 115,** as amended. Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Palmer, Raney, Swope, Ware, White. Nays 0.

SB 115 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 115**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

SB 369 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 369.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 369 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 369** was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Miller moved that the Rules be suspended for the purpose of making a motion. Agreed.

Motion

Senator Miller moved that the vote by which the clincher was applied to **SB 265** be reconsidered. Agreed.

Senator Miller moved that the vote by which **SB 265** was rejected be reconsidered. Agreed.

Senator Miller moved to take up **SB 265** and place it on its passage. Agreed.

Senator Overbey arose to a point of order regarding Senator Miller's motion to place on passage **SB 265,** pointing out that the time limit of three days had elapsed and passage of the bill would not be in order.

The President Pro Tem ruled that the motion by Senator Miller would be in order because the Rules had been suspended for this purpose and ordered a roll call on **SB 265.**

On roll call, the vote was yeas 10—Bonn, Brand, Buckman, Cobb, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson. Nays 7—Bishop, Blue, Conley, Edwards, Fuqua, Gardner, Howard.

Senator Johnson arose to explain his vote under suspension of the Rules.

Recess

Senator Garnett moved that the Senate recess for five minutes. Motion was seconded by Senator Hehl.

Senators Garnett and Hehl requested a roll call on Senator Garnett's motion.

On roll call, the vote was yeas 9—Buckman, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Kidwell, Kinkead. Nays 3—Edwards, Johnson, Kelly.

Senator Ware moved to table **SB 265**, seconded by Senator Miller. Agreed.

Orders of the Day

SB 105 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Johnson moved the Previous Question on **SB 105**. Agreed.

On roll call, the vote was yeas 31—Bonn, Brand, Buckman, Cobb, Conley, Craft, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 2—Bishop, Garnett.

Senator Howard moved to amend the Title to **SB 105** and that it be known as the "H. Nick Johnson Bill." Agreed.

SB 105 was passed and the title agreed to.

Senator Johnson moved that the vote by which **SB 105** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 370 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 370**. Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Edwards, Fuqua, Gardner, Garnett, Garrett, Hickerson, Howard, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Palmer, Raney, Turner, Ware, White. Nays 2—Logan, Swope.

SB 370 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 370** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 305 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garnett offered Amendment #1 to **SB 305** and moved its adoption. Agreed.

Amendment #1 to **SB 305** is as follows:

Amend printed copy of Senate Bill 305 on page 2, lines 5 through 7, by: deleting lines 5 through 7 and inserting:

"(4) Violation of any provision of this section is punishable, upon conviction, by a fine of not more than $500."

Senator Garnett moved the Previous Question on **SB 305**, as amended. Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hickerson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Ware, White. Nays 0.

SB 305 was passed and the title agreed to.

Senator Garnett moved that the vote by which **SB 305**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

SB 255 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved that **SB 255** be recommitted to the Committee on Rules. Agreed.

SB 322 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 322.** Agreed.

On roll call, the vote was yeas 28—Blue, Bonn, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Turner, Ware, White. Nays 0.

SB 322 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 322** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 362 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols moved the Previous Question on **SB 362.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Overbey.

SB 362 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 362** was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Ware moved that the Rules be suspended for the purpose of introducing resolutions. Agreed.

Introduction of Resolutions

SR 71, by Senator Buckman: A JOINT RESOLUTION giving special recognition to the Kentucky Welfare Association as it celebrates its Golden Anniversary.

SR 72, by Senators Swope and Johnson: A CONCURRENT RESOLUTION designating the month of February as American History Month in Kentucky.

SR 73, by Senator Swope: A CONCURRENT RESOLUTION requesting the Congress of the United States to provide a refund of fifty cents a barrel of the distilled spirits excise tax.

Orders of the Day

SB 368 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 368.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Brand, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 368 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 368** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 345 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Turner moved the Previous Question on **SB 345.** Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Logan, McCann, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 345 was passed and the title agreed to.

Senator Turner moved that the vote by which **SB 345** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 74 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that **HB 74** be read by title only. Agreed by a majority of members elected.

Senator Garnett offered Amendment #1 to **HB 74** and moved its adoption. Agreed.

Amendment #1 to **HB 74** is as follows:

Amend printed copy of House Bill 74 on page 13, line 3, by: inserting:

(3) In every instance in which the presence is required of an individual for whom an appearance bond has been posted, the clerk of the court in which the individual is to appear shall notify in writing the surety on said appearance bond. The notice shall state the time, date, and place the principal of the bond is required to appear and shall be delivered to said surety not less than forty-eight hours prior to the time set for such appearance. None of the foregoing provisions shall apply where the appearance bond specifies a definite return date.

Senator Garnett offered Amendment #2 to **HB 74** and moved its adoption. Agreed.

Amendment #2 to **HB 74** is as follows:

Amend printed copy of House Bill 74 on page 14, line 26, by: inserting after line 26:

(4) No judgment decreeing the forfeiture of the appearance bond shall be rendered in case it shall be made to appear to the satisfaction of the court by affidavit of a reputable physician that the principal of such bond is prevented from attending by some physical disability.

(5) No judgment decreeing the forfeiture of the appearance bond shall be rendered in case it shall be made to appear to the satisfaction of the court that the principal of such bond is prevented from attending because of detention in a jail or penitentiary in another jurisdiction. A sworn affidavit of the jailer, warden, or other responsible officer of said jail or penitentiary shall be considered adequate proof of the principal's detention.

Senator Garnett offered Amendment #3 to **HB 74** and moved its adoption. Agreed.

Amendment #3 to **HB 74** is as follows:

Amend printed copy of House Bill 74 on page 14 and 15, line 27, by: striking Subsection (1) and inserting in lieu thereof the following:

(1) If within twenty-four hours after the rendition of any judgment forfeiting an appearance bond, the amount of said bond shall not have been paid, the Commonwealth's attorney shall cause said judgment to be recorded in the office of the circuit clerk in which said bond shall have been forfeited, and may, at any time, cause said judgment to be recorded in every county in which he shall think such recordation proper, and every recordation of said judgment shall be without cost and shall operate as a judicial mortgage against both the principal and his surety. If said judgment shall not have been paid, it shall be the duty of the Commonwealth's attorney, at the expiration of the time allowed by law for the taking of an appeal, or within the time allowed by law for the surety to return the fugitive to the jurisdiction of the court in which said charge was made, to cause to issue a fieri facies against both the principal and his surety.

Senator Garnett offered Amendment #4 to **HB** 74 and moved its adoption. Agreed.

Amendment #4 to **HB** 74 is as follows:

Amend printed copy of House Bill 74 on page 15, line 12, by: adding:

(3) Any judgment forfeiting an appearance bond rendered under the provisions of this rule shall, at any time within 180 days after rendition, be set aside upon the appearance and trial and conviction or acquittal or upon a continuance granted upon motion of the Commonwealth's attorney after such appearance.

Senator Garnett offered Amendment #5 to **HB** 74 and moved its adoption. Agreed.

Amendment #5 to **HB** 74 is as follows:

Amend printed copy of House Bill 74 on page 14, lines 14 through 19, by: striking lines 14 through 19 and inserting in lieu thereof:

(1) If, at the time fixed for appearance, before any circuit court, an accused shall fail to appear and answer when called, the court shall, on motion of the Commonwealth's attorney, forthwith enter a judgment decreeing the forfeiture of the bond and against such person and his surety or sureties for the full amount thereof. The forfeiture shall be noted on the record and endorsed on the bond, which endorsement shall be sufficient evidence of the forfeiture of the bail.

Senator Garnett offered Amendment #6 to **HB** 74 and moved its adoption. Agreed.

Amendment #6 to **HB** 74 is as follows:

Amend printed copy of House Bill 74 on page 14, line 13, by: inserting after line 13:

(3) Surrender of the accused to the jailer in the county in which the prosecution is pending at any time by the surety shall operate as

a discharge or release of the surety from his responsibility and when such formal surrender is made, the responsibility of the surety shall cease, whether or not the accused has been brought to final trial and conviction or acquittal. However, unless formal surrender of the accused has been made as provided in this section, the appearance and answer of the accused, upon call made as provided for in Rule 4.26, shall not operate as a discharge or release of any surety from his responsibility until the final trial and conviction or acquittal of such accused.

Senator Garnett offered Amendment #7 to **HB 74** and moved its adoption. Agreed.

Amendment #7 to **HB 74** is as follows:

Amend printed copy of House Bill 74 on page 13, line 28, by: inserting after the word "time" the words "before the forfeiture of the bond."

Senator Garnett moved the Previous Question on **HB 74**, as amended. Agreed.

On roll call, the vote was yeas 30—Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kinkead, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 74 was passed and the title agreed to.

Senator Garnett moved that the vote by which **HB 74**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

SB 247 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **SB 247**. Agreed.

On roll call, the vote was yeas 27—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Howard, Kelly, Kidwell, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 247 was passed and the title agreed to.

Senator Duffy moved that the vote by which **SB 247** was passed be reconsidered and said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 343**, **HB 256**, **HB 564**, **HB 360**, **HB 383**, **HB 474**, **HB 478**, **HB 492**, **HB 495**, **HB 504**, **HB 566**, **HB 567**, **HB 573**,

HR 101, HB 50, SB 47, SB 216, SB 218, SB 232, SB 237, SB 249, SB 266, SB 308, SB 323, SB 324, SB 188 (with amendment), **SB 219** (with amendment), **SB 326** (with amendment).

Report on Enrolled Bills

Committee on Enrollment reported that **HB 416, HB 208, HB 207, HB 232,** had been examined and found correctly enrolled. **HB 416, HB 208, HB 207, HB 232,** read at length, compared and signed in open session by the President. Ordered delivered to the House.

Orders of the Day

Senator Ware moved that the Senate take up for concurrence House Amendment #1 to **SB 188.** Agreed.

Senator Ware moved House Amendment #1 to **SB 188** be adopted. Agreed.

Amendment #1 to **SB 188** is as follows:

Amend printed copy of Senate Bill 188 on page 1, line 7, following the date 1962 by deleting the words "or subsequent thereto."

On roll call, the vote was yeas 25—Bishop, Bonn, Brand, Buckman, Cobb, Duffy, Edwards, Gardner, Garrett, Hehl, Howard, Kelly, Kidwell, Logan, McCann, McGinty, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 188 was passed and the title agreed to.

HB 479 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 479.** Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Fuqua, Gardner, Garrett, Hehl, Howard, Kelly, Kidwell, McCann, McGinty, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Johnson.

HB 479 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HB 479** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 480 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 480.** Agreed.

On roll call, the vote was yeas 24—Bonn, Brand, Buckman, Cobb, Conley, Duffy, Fuqua, Gardner, Garrett, Hehl, Howard, Johnson, Kidwell, McCann, McGinty, Mann, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 480 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HB 480** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 361 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 361.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Fuqua, Gardner, Garrett, Hehl, Howard, Kelly, Kidwell, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 361 was passed and the title agreed to.

HB 239 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 239.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Fuqua, Gardner, Hehl, Howard, Johnson, Kidwell, Logan, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 239 was passed and the title agreed to.

HB 156 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator White moved the Previous Question on **HB 156.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Garrett, Hehl, Howard, Kelly, Kidwell, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Gardner.

Senator Overbey moved to amend the Title to **HB 156** and that it be known as the "Emerson Beauchamp Bill." Agreed.

HB 156 was passed and the title agreed to.

Senator White moved that the vote by which **HB 156** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 183 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator White offered Amendment #1 to **HB 183** and moved its adoption. Agreed.

Amendment #1 to **HB 183** is as follows:

Amend printed copy of House Bill 183 on page 2, line 12, by: deleting "sixty-one" and substituting therefor the following: thirty

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Garrett, Hehl, Howard, Kelly, Kidwell, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Gardner.

HB 183 was passed and the title agreed to.

Senator White moved that the vote by which **HB 183** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 219 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator White moved the Previous Question on **HB 219**. Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Howard, Kelly, Kidwell, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 219 was passed and the title agreed to.

Senator White moved that the vote by which **HB 219** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 55 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 55**. Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Edwards, Fuqua, Gardner, Garrett, Howard, Kelly, Kidwell, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 55 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 55** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 274 taken from Orders of the Day, by way of Committee Substitute, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the adoption of the Committee Substitute for **HB 274.** Agreed.

Senator Duffy offered Amendment #1 to **HB 274** and moved its adoption. Agreed.

Amendment #1 to **HB 274** is as follows:

Amend printed copy of the Committee Substitute for House Bill 274 on page 1, lines 12 and 13, by deleting the language "all persons furnishing hospital services" and substituting in lieu thereof the following language, "hospitals furnishing services."

On roll call, the vote was yeas 22—Bonn, Buckman, Cobb, Craft, Duffy, Fuqua, Gardner, Hehl, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Turner, Ware, White. Nays 7—Blue, Brand, Edwards, Logan, Miller, Raney, Swope.

HB 274 was passed and the title agreed to.

Senator Duffy moved that the vote by which **HB 274,** as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Ware moved that the Senate adjourn until 1 p.m., Wednesday, March 14. Agreed.

WEDNESDAY, MARCH 14, 1962

FIFTY-EIGHTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James Shepherd, Pastor of the First Methodist Church of Frankfort.

The roll was called. All present except Senator Derickson, who was granted leave of absence on motion of Senator Ware.

Reading of Journal for March 13 dispensed with and the same approved on motion of Senator Ware.

Motion

Senator Ware moved to dispense with the order of business and have committee reports. Agreed.

Report of Committee

Rules Committee reported **HB 470, HB 46, HB 284, HB 495, HB 567, HB 492** (with amendments), **HB 403, HB 536, HB 477, HB 343, HB 552, HB 509, HB 481** with the expression of opinion that the same should pass.

HB 470, AN ACT relating to Teachers' Tenure.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 161.720 of the Kentucky Revised Statutes is amended to read as follows:

(1) The term "teacher" for the purpose of KRS 161.720 to 161.810 shall mean any person for whom certification is required as a basis of employment in the public schools of the state with the exception of the superintendent.

(2) The term "year" as applied to terms of service means actual service of not less than seven school months within a school year; provided, however, that any board of education may grant a leave of absence for professional advancement with full credit for service.

(3) The term "limited contract" shall mean a contract for the employment of a teacher for a term of *one year only or for that portion of the school year that remains at the time of employment.* [four years or less]

(4) The term "continuing service contract" shall mean a contract for the employment of a teacher which shall remain in full force and effect until the teacher resigns or retires, *or reaches the age of 65,* or until it is terminated or suspended as provided in KRS 161.790 and 161.800.

(5) The term "continuing status" means employment of a teacher under a continuing contract.

(6) The term "standard" or "college" certificate for the purpose of KRS 161.720 to 161.810 shall mean any certificate issued upon the basis of graduation from a standard four-year college.

Section 2. Section 161.730 of the Kentucky Revised Statutes is amended to read as follows:

Each board of education shall enter into *written contracts,* either limited or continuing [contracts], for the employment of all teachers.

Section 3. Section 161.740 of the Kentucky Revised Statutes is amended to read as follows:

(1) Teachers eligible for continuing service status in any school district shall be those teachers who meet qualifications listed in this section:

(a) Hold a standard or college certificate as defined in KRS 161.720;

(b) When a *currently employed* teacher is recommended for reemployment after teaching four *consecutive* years in *the same* [a] district, *or after teaching four years which shall fall within a period not to exceed six years* in the same district, *the year of present employment included,* the superintendent shall recommend said teacher for a continuing contract, and, *if the teacher is employed by the board of education, a written continuing contract shall be issued.* [unless the board of education by a four-fifths vote of its full membership rejects the continuing contract of the teacher, a written continuing contract shall be issued. If the board of education rejects the continuing contract of the teacher recommended, the superintendent may recommend employment of such teacher, under a limited contract for not to exceed two years, but upon subsequent reemployment only a written continuing contract shall be entered into;]

(c) When a teacher has attained continuing contract status in one district and *becomes* [is] employed in [and transfers to] another district, *said teacher shall resume probationary status and shall become eligible for continuing contract status only upon fulfilling the requirements of KRS 161.740 (1) (a) and (b).* [upon the recommendation of the superintendent the board of education may at the time of employment, or at any time within a two-year period, declare any transfer teacher eligible for a written continuing contract and extend to such teacher such contract. If during the two-year period the teacher has not received a written continuing contract and the teacher is recommended for reemployment at the end of the two years period, the superintendent shall recommend said teacher for a continuing contract and if reemployed a written continuing contract shall be issued.]

(d) *Service credit toward a continuing contract shall begin only when a teacher is properly certified as defined in KRS 161.720(6).* [Any teacher who has taught six years or more and is eligible for a continuing contract but has not received such contract shall, if employed for the school year 1955-56, receive a written continuing contract.]

(2) Any teacher or superintendent who has been or may be hereafter inducted into the Armed Forces of this country [for service in the present war], shall at the expiration of such service be reemployed or reinstated in *a comparable* [his or her former] position as of the beginning of the next school year, provided application is made at least thirty days before the opening of school, unless physically or mentally incapacitated *according to medical notations on official discharge papers.* [Any teacher or superintendent desiring reinstatement in his or her former position shall file application for same with the board of education within a period of sixty days immediately following discharge from the Armed Forces of the country.] Vacancies created by military leaves shall be filled by teachers or superintendents employed by the board of education under *a* limited *contract of one year or less.* [contracts only]

Section 4. Section 161.750 of the Kentucky Revised Statutes is amended to read as follows:

(1) A *written* limited contract *shall* [may] be entered into by each board of education with each teacher who *is not eligible for a continuing contract as defined in KRS 161.740.* [has not been in the employ of the board for at least four years and shall be entered into, regardless of length of previous employment, with each teacher employed by the board who does not hold a standard or college certificate.]

(2) Any teacher employed under a limited contract and ineligible for a continuing contract shall at the expiration of such limited contract be deemed reemployed under the provisions of KRS 161.720 to 161.810 for the succeeding school year at the same salary plus any increment or decrease as provided by the salary schedule, unless the employing board shall give such teacher written notice on or before the *fifteenth day of May* [thirty-first day of March] of its intentions not to reemploy him. Such teacher shall be presumed to have accepted such employment, unless he shall notify the board of education in writing to the contrary on or before the *fifteenth day of June* [first day of May], and a *written* contract for the succeeding year shall be executed accordingly. [Provided, however, that:

[(a) Beginning teachers, who have not been previously employed as a teacher in any school, shall be employed for one year only.

(b) New teachers who have had at least one year's experience as teacher in other schools may be employed from one to three years at the discretion of the board of education.

(c) Upon reemployment after the termination of the first contract and subsequent contracts the new contract may be for not less than two years nor more than four years at the discretion of the board.]

Section 5. Section 161.760 of the Kentucky Revised Statutes is amended to read as follows:

(1) Each board of education shall cause notice to be given annually not later than *July 1* [August 1] to each teacher who holds a contract valid for the succeeding school year, stating the best estimate as to the salary to be paid such teacher during such year. Such salary shall not be lower than the salary paid during the preceding school year unless such reduction be a part of a uniform plan affecting the entire district, *or unless there is a reduction or elimination of extra service, administrative and/or supervisory duties and responsibilities of the teacher or other certificated personnel.* But nothing herein shall prevent increases of salary after the board's annual notice has been given. *All teachers who refuse assignment shall notify the superintendent in writing not later than July 15. Reassignment of certificated personnel after July 15 shall be made only to fill vacancies created by illness, death or resignations; to reduce or increase personnel because of a shift in school population; to make personnel adjustments after consolidation or merger; to assign personnel according to their major or minor fields of training.*

(2) Reduction of responsibility for a teacher may be accompanied by a corresponding reduction in salary, provided that notification of such reduction be given not later than May 15.

(3) Employment of a teacher, under either a limited or a continuing contract, is employment in the school district only and not in a particular position or school.

Section 6. Section 161.790 of the Kentucky Revised Statutes is amended to read as follows:

(1) The contract of a teacher shall remain in force during good behavior and efficient and competent service by the teacher and shall not be terminated except for any of the following causes:

(a) *Insubordination, including but not limited to (1) violations of lawful rules and regulations established by the local board of education for the operation of schools, and (2) refusal to recognize or obey the authority of the superintendent, principal, or any other supervisory personnel of the board in the performance of their duties;* [Insubordination, immoral character or conduct unbecoming a teacher]

(b) *Immoral character or conduct unbecoming a teacher;* [Inefficiency, incompetency, physical or mental disability or neglect of duty. Marriage of a teacher shall not be cause for termination of the contract.]

(c) *Physical or mental disability;*

(d) *Inefficiency, incompetency, or neglect of duty, when a written statement identifying the problems or difficulties has been furnished the teacher or teachers involved.*

(2) (a) Charges on the above causes shall be supported by written records of teacher performance by the superintendent, principal, or other supervisory personnel of the board.

(b) Marriage of a teacher shall not be cause of termination of the contract.

(3) [2] No contract shall be terminated except upon recommendation of the superintendent and unless the teacher is furnished with a written statement, specifying in detail the charge or charges against said teacher, signed by the proper officer of the board of education and naming a date and place at which the teacher may appear before the board of education and answer said charge or charges. Said date for the hearing shall not be less than twenty nor more than thirty days after the service of such charges upon the teacher. The teacher shall within ten days after the receipt of the written statement of such charges notify the board of education of his intention to appear and answer such charges, and upon failure of the teacher to give such notice, the board of education may dismiss the teacher by a majority vote and such dismissal shall be final.

(4) [3] Upon receipt of the teacher's notice of intention to appear and answer such charges, the board of education shall issue such subpoenas as shall be necessary for the determination of the issues involved. The issue shall be heard at the time and place set and the hearing shall be public or private at the discretion of the teacher. Both parties may be represented by counsel and may require the presence of witnesses upon subpoena. Each witness shall be required to take oath or affirmation before an officer of the board of education. The board of education shall provide for a stenographic report of the proceedings and furnish the teacher with a copy. Upon completion of both sides of the case the board of education may by a majority vote dismiss the teacher or may defer its action for not more than five days.

(5) [4] The board of education may, on recommendation of the superintendent, suspend a teacher pending final action to terminate his contract if, in its judgment, the character of the charges warrants such action. If after the hearing the decision of the board is against termination of the contract, the suspended teacher shall be paid his full salary for the period of such suspension.

(6) [5] The teacher shall have a right to make an appeal both as to law and as to fact to the circuit court. If said appeal is

not made within thirty days after dismissal, then the decision of the board of education shall be final. Such appeal shall be an original action in said court and shall be commenced by the filing of a petition against such board of education, in which petition the facts shall be alleged upon which the teacher relies for a reversal or modification of the order of termination of contract. Upon service or waiver of summons in said appeal, such board of education shall forthwith transmit to the clerk of said court for filing a transcript of the original notice of charges and a transcript of all evidence adduced at the hearing before such board, whereupon the cause shall be at issue without further pleading and shall be advanced and heard without delay. The court shall examine the transcript and record of the hearing before the board of education and shall hold such additional hearings as it may deem advisable, at which it may consider other evidence in addition to such transcript and record. Upon final hearing, the court shall grant or deny the relief prayed for in the petition as may be proper under the provisions of KRS 161.720 to 161.810 and in accordance with the evidence adduced at the hearing. Either the teacher or the board of education may appeal from the action of the court to the Court of Appeals.

HB 46, AN ACT providing a Uniform Act on Paternity.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The father of a child which is or may be born out of wedlock is liable to the same extent as the father of a child born in wedlock, whether or not the child is born alive, for the reasonable expense of the mother's pregnancy and confinement and for the education, necessary support and funeral expenses of the child.

Section 2. Paternity may be determined upon the complaint of the mother, child, or the public authority chargeable by law with the support of the child. If paternity has been determined or has been acknowledged according to the laws of this state, the liabilities of the father may be enforced in the same or other proceedings (1) by the mother, child, or the public authority which has furnished or may furnish the reasonable expenses of pregnancy, confinement, education, necessary support, or funeral expenses, and (2) by other persons including private agencies to the extent that they have furnished the reasonable expenses of pregnancy, confinement, education, necessary support, or funeral expenses.

Section 3. The father's liabilities for past education and necessary support are limited to a period of four years next preceding the commencement of an action.

Section 4. The obligation of the estate of the father for liabilities under this Act is limited to amounts accrued prior to his death and such sums as may be payable for dependence under other laws.

Section 5. The county and circuit courts have concurrent jurisdiction of an action under this Act and all remedies for the enforcement of judgments for expenses of pregnancy and confinement for a wife or for education, necessary support, or funeral expenses for legitimate children apply. The court has continuing jurisdiction to modify or revoke a judgment for future education and necessary support. All remedies under the Uniform Reciprocal Enforcement of Support Act are available for enforcement of duties of support under this Act.

Section 6. Either party to an action commenced under the provisions of this Act may demand a jury trial of the facts in issue, or the court upon its own motion may grant a jury trial, in accordance with the provisions of the Rules of Civil Procedure.

Section 7. If the issue of paternity is raised in an action commenced during the pregnancy of the mother, the trial shall not, without the consent of the alleged father, be held until after the birth or miscarriage but during such delay testimony may be perpetuated in accordance with the Rules of Civil Procedure.

Section 8. The court, upon its own initiative or upon suggestion made by or on behalf of any person whose blood is involved may, or upon motion of any part to the action made at a time so as not to delay the proceedings unduly, shall order the mother, child and alleged father to submit to blood tests. If any party refuses to submit to such tests, the court may resolve the question of paternity against such party or enforce its order if the rights of others and the interests of justice so require.

Section 9. The tests shall be made by experts qualified as examiners of blood types who shall be appointed by the court. The experts shall be called by the court as witnesses to testify to their findings and shall be subject to cross-examination by the parties. Any party or person at whose suggestion the tests have been ordered may demand that other experts, qualified as examiners of blood types, perform independent tests under order of court, the results of which may be offered in evidence. The number and qualifications of such experts shall be determined by the court.

Section 10. The compensation of each expert witness appointed by the court shall be fixed at a reasonable amount. It shall be paid as the court shall order. The court may order that it be paid by the parties in such proportions and at such times as it shall prescribe. The fee of an expert witness called by a party but not appointed by the court shall be paid by the party calling him but shall not be taxed as costs in the action.

Section 11. If the court finds that the conclusions of all the experts, as disclosed by the evidence based upon the tests, are that the alleged father is not the father of the child, the question of paternity shall be resolved accordingly. If the experts disagree in their findings or conclusions, the question shall be submitted upon all the evidence. If the experts conclude that the blood tests show the possibility of the alleged father's paternity, admission of this evidence is within the discretion of the court, depending upon the infrequency of the blood type.

Section 12. Judgments under this Act may be for periodic payments which may vary in amount. The court may order payments to be made to the mother or to some person, corporation, or agency designated to administer them under the supervision of the court.

Section 13. The court may require the alleged father to give bond or other security for the payment of the judgment.

Section 14. An agreement of settlement with the alleged father is binding only when approved by the court.

Section 15. An action under this Act may be brought in the county where the alleged father is present or has property or in the county where the mother resides.

Section 16. This Act shall be so interpreted and construed as to effectuate its general purpose to make uniform the law of those states which enact it.

Section 17. This Act may be cited as the Uniform Act on Paternity.

Section 18. This Act applies to all cases of birth out of wedlock as defined in this Act where birth occurs after this Act takes effect.

Section 19. Sections 406.010, 406.020, 406.030, 406.040, 406.050, 406.060, 406.070, 406.080, 406.090, 406.100, 406.110, 406.120, 406.130, 406.140, 406.150 and 406.160 of the Kentucky Revised Statutes are repealed.

HB 284, AN ACT relating to married women over the age of eighteen years.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A married woman over the age of eighteen years may execute any deed, mortgage, or contract pertaining to real property in the same manner as a married adult woman.

HB 495, AN ACT relating to roads.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. As used in this Act unless the context otherwise requires:

(1) "Roads" includes highways, bridges, and bridge approaches.

(2) "Encroachment" means any improvement to land constructed, created or implemented or any change from the original contour thereof, including but not limited to buildings, fences, ditches, embankments, driveways or signs, which hinders or prevents use or maintenance of roads or rights-of-way.

(3) "Person" means any individual, firm, co-partnership, joint venture, association, social club, fraternal organization, corporation, estate, trust, business trust, receiver, syndicate, cooperative or any other group or combination acting as a unit.

Section 2. Before any person shall proceed to cause or continue or allow to remain in existence any encroachment under, on or over any part of the right-of-way of a state highway he shall first obtain from the Department of Highways a permit so to do. Any encroachment heretofore or hereafter placed or allowed to continue or remain under, on or over any road which is found by the Department of Highways to be interferring in any way with the safe, convenient and continuous use and maintenance of such road shall upon thirty days notice to the person or to his chief agent by the Department of Highways be removed or relocated by such person at his own expense. Whenever an order of the Department of Highways requires such removal or change in location of any encroachment from the right-of-way of a road and the person causing such encroachment or allowing same to continue or remain fails to remove or change location of same at his own expense to conform to the order within the time stated in the notice, the Department of Highways shall proceed to cause the encroachment to be removed; the expense thereby incurred shall be paid out of any money available therefor, and shall be charged against the person and levied and collected and paid into the State Treasury as provided by law.

HB 567, AN ACT relating to state officers and employes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 45.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) Except as otherwise provided by law, each state officer or employe who is authorized by law to receive, from corporations or from the State Treasury or any fund appropriated out of the State Treasury, his traveling or other expenses incident to the discharge of his official duties, shall submit to the Department of Finance an itemized statement of such expenses, accompanied by a receipt,

on a blank furnished by the Department of Finance, for each item of expense in excess of *four* [two] dollars, before the department shall audit or pay such expenses.

(2) The Department of Finance may issue rules and regulations to permit state agencies and institutions to contract with airlines, railroads, hotels or other companies for services to a group of their employes while on official travel status. Such expenses are to be submitted to the Department of Finance on forms prescribed by the Department of Finance before the department shall audit or pay such expenses.

(3) The Department of Finance may issue rules and regulations to permit state officers or employes to assign their claim for reimbursement of travel expenses to airline, railroad, hotel, or other companies in payment of services rendered as provided for in subsection (2) of this section and as shown on the itemized statement and receipts as provided for in subsection (1) of this section, which statement and receipts shall indicate that such company has extended credit to said officer or employe in the name of the state and incident to the discharge of his official duties.

(4) Each state officer or employe who by reason of the duties assigned to his office, is required to be at the state capital for the majority of the time, or who has an office located at the state capital, shall not be permitted to charge for expenses except from the state capital to the place where the business he is transacting is to be transacted, and from that place back to the state capital, and each officer or employe who is assigned to duty at some place other than the state capital shall only be permitted to charge to the state such expenses as are incurred in going from that place to the place where the business is transacted, and returning. Expenses in going from the state capital or the place where the officer or employe is assigned to duty to the officer's or employe's real place of residence, or in return therefrom, shall not be allowed unless it is shown that it was necessary for him to make the trip in the discharge of business for the state.

HB 492, AN ACT relating to metropolitan water and sanitation districts.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 76.010 of the Kentucky Revised Statutes is amended to read as follows:

In the interest of the public health and for the purpose of providing adequate *water,* [sewer] *sanitation* and drainage facilities in and around each city of the first class and in each county containing such city, there may be created and established therein a joint

metropolitan district under the provisions of this chapter, having the powers, duties and functions as *in this chapter* [herein] prescribed, and to be known by and under the name of ______________________
(Name of city of the first class) and____________________________
(Name of county) Metropolitan *Water and Sanitation* [Sewer] District, which district under said name shall be a public body corporate, and political subdivision, with power to adopt, use and alter at its pleasure a corporate seal, sue and be sued, contract and be contracted with, and in other ways to act as a natural person, within the purview of this chapter.

Section 2. Section 76.020 of the Kentucky Revised Statutes is amended to read as follows:

Whenever by ordinance passed by the legislative body of any such city and approved by the mayor thereof [,] *and whenever by resolution of the fiscal court of such county and approved by the county judge thereof,* it is declared for the best interests of such city, *county,* and the inhabitants thereof, that such district be created under the provisions of this chapter, the clerk of the *respective bodies* [legislative body] of such city *and county* shall file a certified copy of such ordinance *and resolution* with the county *court clerk* [judge] of the county wherein such city is located.

Section 3. Section 76.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) The business, activities, and affairs of such district shall be managed, controlled and conducted by a board composed of five members, *all* [three] of whom shall be appointed *jointly* by the mayor of such city *and county judge of such county* [subject to the approval of the city legislative body, and two of whom shall be appointed by the county judge of such county subject to the approval of the fiscal court] and which five members thus appointed shall constitute the board of such district. Not more than three members of the board shall be affiliated with the same political party.

(2) Each such member shall be at least twenty-five years of age *and a resident of such county* [; each appointed by the mayor shall be a resident of such city and wherein he shall have actually continuously resided for at least three years next prior to appointment; each appointed by the county judge shall be a resident of such county outside the limits of the city and wherein he shall have actually continuously resided for at least three years next prior to appointment]. No officer or employe of such city or county, whether holding a paid or unpaid position, shall be eligible for appointment as a member of such board.

(3) On the first day of July, *following the creation of the district by the legislative body of such city and fiscal court of such*

county, [1946,] or as soon thereafter as may be practicable, [the mayor, subject to the approval of the city legislative body shall appoint] one member *shall be appointed* for a term of two years, *two* [one] member*s* for a term of three years, and *two* [one] member*s* for a term of four years, [and the county judge, subject to the approval of the fiscal court, shall appoint one member for a term of three years and one member for a term of four years,] and upon the expiration of each of said terms respectively and thereafter, the term of each of such members shall be four years, ending on July first. A member is eligible to succeed himself, and shall continue in office until his successor has been appointed and qualified. [Vacancies in the membership shall be filled for the unexpired portion of the term by the mayor or the county judge as the case may be, subject to the same approval,]

(4) Any member of the board [appointed by the mayor] may be removed [by the mayor,] for cause, after hearing by the mayor, *and the county judge,* and after at least ten days' notice in writing shall have been given to the member, which notice shall embrace the charges [perferred] *preferred* against him. At the hearing he may be represented by counsel. The finding of the mayor *and county judge* shall be final and removal results in vacancy in such office. *If* the mayor and county judge shall fail to agree on removal, then such member shall not be removed. [Any member of the board appointed by the county judge may be removed by the county judge, for cause, after hearing by the county judge, and after at least ten days' notice in writing shall have been given to the member, which notice shall embrace the charges preferred against him. At the hearing he may be represented by counsel. The finding of the county judge shall be final and removal results in vacancy in such office.]

(5) The members of the board shall be paid ten dollars for each meeting of the board attended by such member, but no member of said board shall be paid more than two hundred and forty dollars during any fiscal year of the board, nor for more than twenty-four meetings held during any fiscal year of said board.

(6) No provision of the 1962 amendments to this section shall have the effect of revoking or abolishing a board or district created and acting prior to and on July 1, 1962.

Section 4. Section 76.080 of the Kentucky Revised Statutes is amended to read as follows:

The district created under the provisions of this chapter is empowered:

(1) To have jurisdiction, control, possession, and supervision, of the existing sewer and drainage system of such city of the first class; to maintain, operate, reconstruct, and improve the same as a comprehensive sewer and drainage system, and to make additions,

betterments, and extensions thereto, within the corporate limits of such city of the first class and within the limits of the county containing such city beyond such city limits, and to have all the rights, privileges, and jurisdiction necessary or proper for carrying such powers into execution. No enumeration of powers in this chapter shall operate to restrict the meaning of this general grant of power or to exclude other powers comprehended within this general grant.

(2) To prepare or cause to be prepared and to be thereafter revised and adopted *for water, sewer and drainage systems,* plans, designs, and estimates of costs, of a system of trunk, intercepting, connecting, lateral, and outlet sewers, storm water drains, pumping and ventilating stations, disposal *plants,* [and] treatment plants and works, and all other appliances and structures, which in the judgment of the board will provide an *adequate and* effective water system [, and advantageous means for relieving] *in* such city of the first class and areas in the county in which such city is located, *and an effective and advantageous means for relieving such city of the first class and areas in the county in which such city is located* outside the city limits which may be embraced in the district, from inadequate sanitary and storm water drainage and from inadequate sanitary disposal and treatment of the sewerage thereof, or such sections or parts of such system as the board may from time to time deem proper or convenient to construct, consistent with the plans and purposes of this chapter, and is authorized and empowered to take all such steps as the board may deem proper and necessary to effect the purposes hereof.

(3) To construct any additions, betterments, and extensions to the facilities of the district, by contract or contracts, or under, through, or by means of its own officers, agents, and employes. Provided, however, that before any construction of new *water lines or* sewers, or the extension of any existing *water lines or* sewers is begun, the plans for all such projects shall, if said project is within the corporate limits of the *city of the first class* [City of Louisville,] be first submitted to the Director of Works of *such city* [the City of Louisville] for approval by him [, and, if so approved, then to be approved by ordinance adopted by the Board of Aldermen of the City of Louisville]; and if said project is outside the corporate limits of *such city of the first class* [the City of Louisville], the plans therefore shall then be first approved by the County Engineer of *such county.* [Jefferson County, and if approved by him, then to be approved by proper action of the Fiscal Court of Jefferson County, except that if said project is without the corporate limits of the City of Louisville but within the corporate limits of any incorporated city, drainage district, or other political subdivision within Jefferson County, then such prior approval shall be obtained from the governing authorities of any such political subdivisions or district.]

(4) To establish, construct, operate [,] and maintain, as a part of the *water,* sewer and drainage system of the district, *water plants and systems,* sewage treatment and disposal plants and systems and all the appurtenances and appliances thereunto belonging. Such *water plants and* sewage treatment and disposal plants may be located in the city, or beyond the limits of the city in the county in which the city is located, as the board may deem expedient.

(5) To acquire and hold such personal property as the board may deem necessary and proper for carrying out the corporate purposes of the district and to dispose of personal property when the district has no further need therefor.

(6) To acquire by purchase, gift, lease or by condemnation, such real property or any interest, right, easement, or privilege therein, as the board may determine necessary, proper and convenient for the corporate purposes of the district, and to use the same so long as such corporate existence shall continue, and same is necessary or useful for the corporate purposes of the district. Condemnation proceedings may be instituted in the name of the district pursuant to a resolution of the board declaring the necessity for the taking, and the method of condemnation shall be the same as provided in KRS 416.120. When the board by resolution declares that any real property which it has acquired, or any interest therein, is no longer necessary or useful for the corporate purposes of the district, such real property and interest therein may be disposed of.

(7) To make bylaws and agreements for the management and regulation of its affairs and for the regulation of the use of property under its control and for the establishment and collection of *water and* sewer rates, rentals and charges, which *water and* sewer rates, rentals and charges, applicable within the limits of a city of the first class, shall be subject to the approval, supervision and control of the legislative body of such city as [hereinafter] provided *in this chapter.*

(8) To make contracts and execute all instruments necessary or convenient in the premises.

(9) To borrow money and to issue negotiable bonds and to provide for the rights of the holders thereof.

(10) To fix and collect *water rates and* sewer rates, rentals, and other charges, for service rendered by the facilities of the district, which *water rates and* sewer rates, rentals, and other charges, applicable within the limits of a city of the first class, shall be subject to the approval, supervision and control of the legislative body of such as [hereinafter] provided *in this chapter.*

(11) To enter on any lands, waters and premises for the purpose of making surveys, and soundings and examination.

(12) To approve or revise the plans and designs of all *water, sewer, storm and drainage systems, their* trunk, intercepting, connecting, lateral and outlet *lines or* sewers, storm water drains, pumping and ventilating stations, disposal and treatment plants and works proposed to be constructed, altered or reconstructed by any other person or corporation, private or public, in any city of the first class or county containing such city. No such *water systems,* sewers, drains, pumping or ventilating stations, or disposal or treatment plants or works shall be constructed or reconstructed without approval by the board of the district. Any such work shall be subject to inspection and supervision of the district.

(13) To acquire all or any part of, by purchase, lease, or gift, and thereafter have jurisdiction, control, possession and supervision of a water company or system owned by such first class city or a water system created by a water district pursuant to KRS Chapter 74. The district may maintain, operate, reconstruct and improve any such water system it may acquire as a comprehensive water system, and make additions, betterments and extensions thereto, and have all the rights, privileges and jurisdiction necessary or proper for carrying such powers into execution. No enumeration of powers in this chapter shall operate to restrict the meaning of this general grant of power or to exclude other powers comprehended within this general grant, except that a district may not use its power of eminent domain to acquire the ownership or operation of any such water system of a first class city or water district as aforesaid.

Section 5. Section 76.085 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person or corporation, public or private, in any city of the first class or in the county containing such city submitting for approval plans and designs of *water facilities,* sanitary sewers, [and/] or storm-water drainage facilities, *or any combination thereof,* to be constructed by such other person or corporation, private or public, pursuant to the provisions of subsection (12) of KRS 76.080 shall file with a metropolitan *water and sanitation* [sewer] district a written application for such approval or other action upon the plans and designs submitted by such person or corporation.

(2) When a metropolitan *water and sanitation* [sewer] district receives an application for approval of plans or designs of *water facilities,* sanitary sewers, [and/] or storm-water drainage facilities, *or any combination thereof,* to be constructed by some individual or corporation, the metropolitan *water and sanitation* [sewer] district is authorized and empowered to examine, inspect and investigate, as seems to be advisable, the sufficiency of the facilities which the application seeks to construct, to serve the purposes intended, and to establish and make reasonable charges for such services on the

basis of a schedule adjusted according to the services required to make such investigation or on any other reasonable method.

(3) When it appears to the metropolitan *water and sanitation* [sewer] district that the construction of any *water facilities,* sanitary sewer [and] or storm-water drainage facilit*ies* [y], *or any combination thereof* being made by any other individual or corporation, requires inspection and supervision in order to assure the protection of public health and the proper subsequent completion of such facility for the purposes intended, the metropolitan *water and sanitation* [sewer] district shall include such finding in its order approving, modifying or disapproving the particular plans and projects, and shall charge such person or corporation for such inspection and supervision on the basis of the actual cost of inspection plus a reasonable additional cost of supervision.

Section 6. Section 76.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) Upon taking and assuming control of such existing sewer and drainage system, *or upon acquiring any water system, the acquisition of which is authorized by this chapter,* the district is authorized to establish a schedule of rates, rentals, and charges, to be collected from all the real property served by the facilities of such district, and to prescribe the manner in which and time at which such rates, rentals, and charges are to be paid, and to change such schedule from time to time as the district may deem necessary, advisable or expedient. Such schedule may be based upon either, (a) the consumption of water on premises connected with such facilities, taking into consideration commercial and industrial use of water; or (b) the number and kind of plumbing fixtures connected with such facilities; or (c) the number of persons served by such facilities; or (d) may be determined by the district on any other basis or classification which the district may determine to be fair and reasonable, whether similar or dissimilar to those enumerated; or (e) any combination thereof. This schedule may include additional charges for treatment of sewage, with a surcharge where the sewage contains industrial wastes or other wastes in excess of limitations established by regulations of the district.

(2) Prior to the final adoption or modification of such schedule, the district shall adopt a proposed schedule and publish notice thereof once a week for three consecutive weeks in a daily newspaper published in the county having the largest circulation therein. The notice so published shall be dated as of the date of first publication therein. The notice so published shall be dated as of the date of first publication thereof and shall state that the proposed or revised schedule of rates, rentals, and charges will remain open for inspection in the office of the district for thirty days from the

date of said notice, and that objections thereto in writing may be filed during said period with the district by any person aggrieved thereby. The district shall examine and hear any and all such complaints, may modify the proposed schedule, and shall adopt and establish a final schedule within sixty days after the date of said notice; such schedule however shall not become final within a city of the first class, unless and until it has received the approval of the legislative body of the city of the first class by ordinance approved by the mayor; provided, however, the schedule finally adopted shall be sufficient and adequate to cover the purposes of this chapter. *No rate for a classification of property shall be higher in the area outside the limits of the first class city than the rate for the same classification of property inside such first class city, unless such higher rate is first approved by the fiscal court of the county.* Such schedule shall be uniform for all property falling within the same classification, which classification may be based upon the length of time the property has been in the district, the drainage area within which the property lies or any similar or dissimilar reasonable classification. The schedule so adopted and established shall thereafter be the rates, rentals, and charges for the use of the facilities of the district, until changed in the manner hereinbefore provided. Such schedule of rates, rentals, and charges shall be established and revised from time to time so as to produce, *together with other sources of revenue authorized by this chapter*, aggregate revenues to the district sufficient (a) for the payment of the interest on and principal of all revenue bonds and other obligations of the district; (b) for the payment of all cost and expenses of operating and maintaining the *water*, sewer and drainage system of the district, including but not limited to the salaries, wages, and fees of all officers and employes of the district; and (c) for the payment of all cost of renewals and replacements of such system. [; provided] *H*owever, [that] all such expenses, salaries, wages, and fees necessary or incident to improvements for the account of which bonds are issued, may be included as a part of the cost of such improvements and paid from the proceeds of such bonds. The district may collect such [sewer] rates, rentals, and charges, or cause them to be collected and paid to it by such agencies as it may designate, and with whom it may make such contracts or arrangements as the district deems proper. The use of all monies of the district received from any and all sources is hereby limited exclusively and shall be devoted solely to the payment of all obligations of the district and board created by this chapter, and no funds from any sources authorized by this chapter shall be diverted to any other purposes than those in this chapter set forth.

(3) Whenever any such sewer rates, rentals or charges for services rendered shall remain unpaid for a period of thirty days after the same shall become due and payable, the district shall de-

clare the said property, the owner thereof, and the user of said service, delinquent until such time as all service rates, rentals and charges are fully paid and may cut off the sewer connection and service. It is hereby declared to be unlawful for any delinquent to use water from any public water service or system and discharge same into a public sewer. No public water service or system shall furnish such delinquent with water to be discharged into a public sewer. The district may enter into agreements with any public water company or service providing for the discontinuance of water service to such delinquents.

Section 7. Section 76.100 of the Kentucky Revised Statutes is amended to read as follows:

(1) It shall be the duty of the district as promptly as possible, to rehabilitate, construct, improve, and extend, any sewer and drainage system taken over and controlled by it, *and any water facility acquired by it* which shall include, but is not limited to, disconnection of storm water drains and constructing outlets therefor, where such work is necessary to relieve existing sanitary sewers of storm water loads, in order to permit the efficient operation of such sanitary sewers.

(2) The district may make rules and regulations for the submission of bids and the construction of such additions, betterments, and extensions, or any part thereof. No contract shall be entered into for construction work or for the purchase of materials, unless the contractor shall give an undertaking with corporate surety in an amount approved by the board for the faithful performance of the contract. As to contracts entered into for construction, such undertaking shall provide, among other things, that the person or corporation entering into such contract with the district will pay for all materials furnished and services rendered in the performance of the contract, and that any person or corporation furnishing such materials or rendering such services, may maintain an action thereon to recover for the same against the obligor in the undertaking and the surety, as though such person or corporation was named therein.

Section 8. Section 76.110 of the Kentucky Revised Statutes is amended to read as follows:

(1) The district shall have the power to acquire by purchase, gift or eminent domain proceedings, the fee, or such right, title, interest or easement, in such lands as may be deemed by the district necessary for any of the purposes mentioned in this chapter, whether within or without the district and any personal property necessary for the purposes of the district. Such lands or interest therein, or personal property may be so acquired whether or not the same are owned or held for public use by corporations, associations, or other persons having the power of eminent domain, or otherwise held or

used for public purposes. But nothing in this chapter shall be construed to confer upon or recognize in the district any power *(a)* to acquire by agreement, purchase or gift, or by eminent domain proceedings, any fee, right, title, interest or easement in property included within the boundaries of any sanitation district organized under KRS Chapter 220, except necessary rights of way for trunk sewers through such sanitation districts, *or (b) to use its powers of eminent domain to take over or condemn an existing water system owned by a first class city or an existing water system created by a water district pursuant to KRS chapter 74.* Forthwith upon the acquisition of any such fee, right, title, interest or easement, or personal property, the same shall be and become dedicated to the uses and purposes of the district.

(2) The method of condemnation of such property shall be (a) as provided in KRS 416.120, (b) as provided in KRS 76.080 (6), or (c) as provided in KRS 416.230 to 416.310 inclusive or as hereinafter provided.

(3) When a metropolitan *water and sanitation* [sewer] district has filed a proceeding to condemn land or any interest therein or personal property, pursuant to the provisions of KRS 416.230 to 416.310, and the board of such district shall determine that the necessity for procuring possession of the property is urgent, it may pass a resolution, at the time that said condemnation is authorized or at any time thereafter for a declaration of taking, declaring that said lands are to be taken for the use of a metropolitan *water and sanitation* [sewer] district. Said declaration of taking shall contain, or have annexed thereto, the following:

(a) A statement of the authority under which and, the public use for which, said lands are taken;

(b) A description of the lands taken sufficient for identification thereof;

(c) A statement of the estate or interest in said lands taken for said public use;

(d) A plat showing the lands taken.

(4) At any time after the report of the commissioners has been made, the metropolitan *water and sanitation* [sewer] district may file said declaration of taking and make a deposit with the clerk of the court of the sum of money stated in the award of the commissioners appointed. Title to said lands in fee simple or such lesser estate as is specified in said declaration or to said personal property shall then vest in such metropolitan *water and sanitation* [sewer] district, and the right to just compensation for said land or interest therein or personal property shall vest in the persons entitled thereto. Said compensation shall be ascertained and awarded in said proceeding as otherwise provided in KRS 416.230 to 416.310 inclusive.

Section 9. Section 76.120 of the Kentucky Revised Statutes is amended to read as follows:

Where railroad tracks, street railroad tracks, gas or water pipes, telephone wires, telegraph wires, electric light or power lines, or conduits, for carrying telephone or telegraph or electric wires, or poles, or other structures of any public service corporation, extend in, along or across any part of the work authorized by this chapter it shall be and become the duty of the person or corporation owning or using such tracks, pipes, wires, conduits, poles, or other structures, to make such changes in the same at the expense of the district as may be required during the construction of any improvement provided for in this chapter, and to construct or rebuild at the expense of the district its tracks, pipes, wires, conduits, poles, or other structures, over or along the work by this chapter authorized and constructed, and at its own expense to maintain the same after such work has been completed. [;provided,] *H*owever, such changes of that part of such tracks, pipes, wires, conduits, poles or other structures as may be or extend in a public way, shall be made at the expense of the public service corporation owning or using the same *only if necessary to afford the district reasonable use of such public way.* Reasonable notice in writing of such necessary changes shall be given by the district to the parties concerned. The district may enter upon streets, highways, bridges, or public places, for the purpose of constructing any additions, betterments, or extensions of the facilities of the district. Whenever the district has entered upon and damaged any street, highway, bridge, or other public place, same shall be restored to its former condition at the expense of the district.

Section 10. Section 76.140 of the Kentucky Revised Statutes is repealed, and the following section is enacted in lieu thereof:

(1) In order to establish, construct, reconstruct, operate or maintain a comprehensive sewage, storm water and surface drainage system within the district, the district, through its board, may levy an ad valorem tax upon the property in the county encompassing said district, not exceeding limits designated by the Constitution of the Commonwealth. However, no such levy of the district shall become effective until such levy shall have been approved by a vote of the voters pursuant to the approval procedure relating to a tax levy in Sections 11 and 12 of this 1962 Act.

(2) When such tax levy has been fully approved, the county tax commissioner of the county involved, with the cooperation of the board, shall note on the tax rolls the taxpayers and valuation of the property subject to such tax. The county clerk shall compute the tax on the regular state and county tax bills in such manner as may be directed by regulation of the Department of Revenue.

(3) Such taxes shall be subject to the same delinquency date, discounts, penalties and interest as are applied to the collection of

ad valorem taxes and shall be collected by the sheriff of the county involved and accounted for to the board. The sheriff shall be entitled to a fee of one percent of the amount collected.

Section 11. The following section is added to and made a part of KRS Chapter 76:

(1) Whenever the board deems it necessary to construct, improve, remodel or restore sewage or drainage facilities, or both, and annual funds raised from other sources are not sufficient to accomplish such purposes, the board shall make a careful estimate of the amount of money required for the purposes and shall by resolution: (a) certify to the proper election officials that an election for an issue of bonds for such purposes shall be held; (b) state the amount for which bonds shall be issued and the purpose to which the proceeds shall be applied; (c) fix the time the bonds shall run, and if a serial issue, the amount to mature at each time; (d) limit the rate of interest to be permitted on the bonds which shall not exceed six percent; (e) state the total amount of bonds to be issued; (f) provide for the levy of a tax to pay the interest and creation of a sinking fund to retire the bonds at their maturity, and (g) state the question which shall be submitted to the qualified voters of the county encompassing such district as to whether such bonds shall be issued for the purposes and the question as to whether a tax shall be levied to pay interest and retire the bonds. The question shall be so framed that the voter may by his vote answer "For" or "Against."

(2) The election shall be held at either the next general or primary election held not less than sixty days after the aforesaid resolution of the board has been made. The election shall be conducted and carried out in the entire district and in all respects as required by the general election laws, and shall be held by the same officers as required by the general election laws.

Section 12. The following section is added to and made a part of KRS Chapter 76:

(1) If a majority of those voting on the question vote in favor of the proposition, the bonds shall be issued. They shall be placed under the control of the board and the board shall determine when and at what price, and how the bonds shall be sold, the date, number of bonds, denomination, whether coupon or registered, the rate of interest, the frequency and place of payment of principal and interest, and other details as desired, embodied in the bonds or in the resolution providing for their issue.

(2) The board shall then at once adopt a resolution and cause the bonds to be at once properly prepared and executed and otherwise prepared for sale and delivery. The bonds shall be signed by the chairman and secretary of the board and shall not be sold

for less than par and accrued interest. As the bonds are sold, their proceeds shall be placed to the credit of the board in a depository designated by the board and shall be kept in a separate account. The depository shall be required to execute proper bond covering the funds.

(3) The board shall levy annually a tax, authorized pursuant to Section 11 of this 1962 Act, sufficient to raise the sum for the payment of the interest and to create a sinking fund for the payment of the bonds at maturity. The bonds shall be a charge upon the district.

(4) The bonds shall be sold at public sale for such price or prices as the board shall determine, provided that the interest costs of the money received from any issue of such bonds shall not exceed six percent per annum when computed to the maturity of the bonds according to standard tables of bond values.

(5) Any resolution or resolutions authorizing any bonds hereunder, may contain provisions, which shall be a part of the contract with the holders of the bonds, as to (a) pledging all or any part of the gross or net revenues of the district to secure the payment of the bonds and interest thereon; (b) the amounts to be raised in each year by rates, rentals, and charges, and the use and disposition thereof, and of any other revenues of the district; (c) the setting aside of reserves or sinking funds and the regulation and disposition thereof; (d) limitations on the right of the district to restrict and regulate the use of its facilities; (e) limitations on the purposes to which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied; (f) limitations on the issuance of additional bonds; (g) the procedure, if any, by which the term of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given.

(6) The bonds or other obligations of the district shall not constitute an obligation or indebtedness of the city or of the county and it shall be plainly stated on the face of each bond of the district that it has been issued under the provisions of this chapter, and that it does not constitute an indebtedness of the city or of the county. All bonds authorized under this section may be issued without any other proceedings or happenings of any other conditions or things than those proceedings, conditions and things which are specified and required by this chapter.

Section 13. Section 76.171 of the Kentucky Revised Statutes is amended to read as follows:

Where adequate sanitary sewers, combined sewers, drains, appurtenances, or property service connections have not been constructed in any territory annexed to a city of the first class since

July 1, 1946, the city legislative body may, by ordinance, on recommendation of the board of the metropolitan *water and sanitation* [sewer] district, which includes such city, construct sanitary sewers, combined sewers, drains, appurtenances or property service connections within such territory, to connect with the city sewerage or drainage system, at the cost of the area benefited.

Section 14. Section 76.172 of the Kentucky Revised Statutes is amended to read as follows:

(1) The ordinance providing for the construction of sewerage or drainage facilities and appurtenances shall describe the nature and kind of facilities to be furnished and shall describe the particular area benefited by said sewerage or drainage facilities.

(2) The costs of the sanitary sewers, combined sewers, drains, and appurtenances shall be assessed against the land in said benefited area according to the number of square feet in any lot or tract within the area described in the ordinance, but on any sewer or drain greater in size than ten inches in diameter, the percentage of cost to be paid by the owners of property in said assessment area shall not be greater than the estimated cost of a sewer ten inches in diameter on the same slope, at the same depth, and of the same materials as the sewer or drain constructed. The rate of apportionment shall be the same for each square foot of land in said benefited area, and shall be determined by dividing the cost of the assessable sanitary sewers, combined sewers, drains and appurtenances by the total area of all land benefited in the area.

(3) The costs of property service connections from the sewer to the property line or easement line as required shall be assessed against the individual lots or tracts to which such property service connections are furnished. The costs to be assessed for the property service connections shall be fixed by regulation of the metropolitan *water and sanitation* [sewer] district based on its experience of costs for such work.

(4) All land included in said described territory shall be assessed, except such property dedicated to use for public roadways and property owned by cities of the first or second class, counties containing cities of the first or second class, and any joint agencies of such cities and counties.

(5) When the board of a metropolitan *water and sanitation* [sewer] district determine that such construction of sanitary sewers, combined sewers, drains, appurtenances or property service connections at the cost of the property owners shall be recommended to the board of aldermen of a city of the first class, the metropolitan *water and sanitation* [sewer] district shall cause its engineering department to prepare complete drawings and specifications for the work and to keep same available for inspection in its offices.

(6) (a) The actual construction work of the sanitary sewers, combined sewers, drains, appurtenances or property service connections constructed pursuant to such ordinance shall be done by, or under the control of, the metropolitan *water and sanitation* [sewer] district.

(b) The cost of the sanitary sewers, combined sewers, drains, appurtenances or property service connections shall include not only the actual construction costs and the costs of any easements required for the sewers, but also costs of surveys, designs, plans, specifications, advertising, inspection and administration; however, these costs other than actual construction costs and costs of easements shall not exceed fifteen percent of the actual construction costs of the project. The costs of surveys, designs, plans, specifications, advertising, inspection and administration, but not exceeding a total of fifteen percent of the actual construction costs and the cost of any easements shall be paid by the contractor to the metropolitan *water and sanitation* [sewer] district at the completion of the work so that such costs may be included in the apportionment warrants.

(7) A lien superior to all liens except the liens for state, county, city, school and road taxes and liens prior in time for other public improvements shall exist against the respective lots or tracts of land for the cost of the sanitary sewers, combined sewers, drains, appurtenances or property service connections for apportionment as hereinafter provided for, and interest thereon at the rate of six percent per annum.

(8) No error in the proceedings of the city legislative body shall exempt such property from payment after the work has been done as required by either the ordinance or contract, but the city legislative body, or the courts in which suits shall be proceeding, shall make all corrections, rules and orders to do justice to all parties concerned. In no event, if the sanitary sewers, combined sewers, drains, appurtenances or property service connections are constructed as provided, by ordinance or contract, shall the city or the metropolitan *water and sanitation* [sewer] district be liable for the costs of the sanitary sewers, combined sewers, drains, appurtenances or property service connections without the right to enforce such costs against the property receiving the benefit.

(9) Upon completion and acceptance of the sewer facility constructed, the metropolitan *water and sanitation* [sewer] district shall make out all apportionment warrants for which liens are given for improvements of sewer facilities and shall immediately enter them in alphabetical order upon a register kept for that purpose. When the holder of the warrant has obtained payment, he shall notify the metropolitan *water and sanitation* [sewer] district and it shall mark upon the register the fact of payment.

(10) The lien shall exist from the date of the apportionment warrant, but a lien shall not be valid against a purchaser for a valuable consideration without notice, unless the apportionment warrant is entered and registered within ten days of its issuance.

(11) After any sewer facilities have been constructed in conformity with this section the metropolitan *water and sanitation* [sewer] district shall give notice by one publication in a newspaper of general circulation in the city of the costs apportioned, and the amounts assessed and levied on the various tracts of land liable for the payment.

(12) When property is annexed to a city of the first or second class and subsequently is connected to a sewer owned or operated by the metropolitan water and sanitation district, payment shall be made to the district of a proportionate part of the construction costs of the sewer on the basis that would apply if the sewer were being built within the corporate limits of the city by apportionment of costs against the benefited area as provided above.

Section 15. The following section is added to and made a part of KRS Chapter 76:

The obligation of an existing metropolitan sewer district organized prior to July 1, 1962, shall not be affected by amendments to this chapter changing the name of said metropolitan sewer district to metropolitan water and sanitation district, or by amendments extending said district's powers, and the said obligations shall have at least the same validity, priority and security as existed before such change of name or extension of powers.

Section 16. Section 76.091 of the Kentucky Revised Statutes is repealed.

Amend printed copy of House Bill 492 on page 1, line 1, by: striking all after the enacting clause and inserting in lieu thereof the following:

Section 1. In the interest of the public health and for the purpose of providing adequate sanitation and drainage facilities in each county containing a city of the first class, there may be created and established therein a sanitation district under the provisions of this chapter, having the powers, duties and functions as in this chapter prescribed, and to be known by and under the name of____(Name of county) Sanitation District. Such a district under its name shall be a public body corporate and political subdivision, with power to adopt, use and alter at its pleasure a corporate seal, sue and be sued, contract and be contracted with, and in other ways to act as a natural person, within the purview of this chapter. Such district shall encompass all territory within the county except territory embraced in a metropolitan sewer district organized under KRS Chapter 76, a sanitation district organized under KRS Chapter 220 or a city served by its own sewer and drainage system.

Section 2. Whenever by resolution of the fiscal court of such county and approved by the county judge thereof, it is declared for the best interests of such county and the inhabitants thereof, that such district be created under the provisions of this chapter, the clerk of the fiscal court of such county shall file a certified copy of such resolution with the county court clerk of the county.

Section 3. (1) The business, activities and affairs of such district shall be managed, controlled and conducted by a board composed by five members, all of whom shall be appointed by the county judge of such county subject to the approval of the fiscal court, and which five members thus appointed shall constitute the board of such district. Not more than three members of the board shall be affiliated with the same political party.

(2) Each such member shall be at least twenty-five years of age and a resident of such county. No officer or employe of such city or county, whether holding a paid or unpaid position, shall be eligible for appointment as a member of such board, but nothing in this section shall be construed to disqualify a member of such board from serving as a member of the board of a metropolitan sewer district organized pursuant to KRS 76.010, 76.020 and 76.030.

(3) On the first day of July following the creation of the district by the fiscal court of such county, or as soon thereafter as may be practicable, the county judge, subject to the approval of the fiscal court, shall appoint one member for a term of two years, two members for a term of three years, and two members for a term of four years. Upon the expiration of each of the terms and thereafter, the term of each member shall be four years, ending on July first. A member is eligible to succeed himself, and shall continue in office until his successor has been appointed and qualified. Vacancies in the membership shall be filled for the unexpired portion of the term by the county judge, subject to the approval of the fiscal court.

(4) Any member of the board may be removed for cause, after hearing by the county judge, and after at least ten days' notice in writing has been given to the member. The notice shall embrace the charges preferred against him. At the hearing he may be represented by counsel. The finding of the county judge shall be final and removal results in vacancy in such office.

(5) Each member of the board shall be paid ten dollars for each meeting of the board attended by such member, but no member of the board shall be paid more than two hundred and forty dollars during any fiscal year of the board, nor for more than twenty-four meetings held during any fiscal year of the board.

(6) The board in accordance with its bylaws shall elect from its members a chairman and a vice-chairman. It shall employ a secretary-treasurer and such other officers and employes as it deems requisite for the performance of its duties. The board shall require the secretary-treasurer and such other officers and employes as it deems advisable to execute faithful performance bonds, in such sums as the board may fix. The premiums for such bonds shall be paid by the district.

Section 4. (1) The district created under the provisions of this chapter may:

(a) Prepare or cause to be prepared and to be thereafter revised and adopted for sewer and drainage systems, plans, designs and estimates of costs, of a system of trunk, intercepting, connecting, lateral and outlet sewers, storm water drains, pumping and ventilating stations, disposal plants, treatment plants and works, and all other appliances and structures, which in the judgment of the board will provide an effective and advantageous means for relieving areas in the county which may be embraced in the district from inadequate sanitary and storm water drainage and from inadequate sanitary disposal and treatment of the sewage thereof, or such sections or parts of such system as the board may from time to time deem proper or convenient to construct, consistent with the plans and purposes of this chapter, and the board may take all such steps as the board may deem proper and necessary to effect the purposes of this subsection.

(b) Construct any additions, betterments and extensions to the facilities of the district, by contract or contracts, or under, through, or by means of its own officers, agents, and employes. However, before any construction of new sewers, or the extension of any existing sewers is begun, the plans therefor shall be first approved by the county engineer of such county, except that if the project is within the corporate limits of any incorporated city, drainage district or other political subdivision within Jefferson County, then such prior approval also shall be obtained from the governing authorities of any such political subdivisions or district.

(c) Establish, construct, operate and maintain, as a part of the sewer and drainage system of the district, sewage treatment and disposal plants and systems and all the appurtenances and appliances thereunto belonging. Such sewage treatment and disposal plants may be located as the board may deem expedient.

(d) Acquire and hold such personal property as the board may deem necessary and proper for carrying out the corporate purposes of the district and to dispose of personal property when the district has no further need therefor.

(e) Acquire by purchase, gift, lease or by condemnation, such real property or any interest, right, easement or privilege therein, as the board may determine necessary, proper and convenient for the corporate purposes of the district, and to use the same so long as such corporate existence shall continue, and same is necessary or useful for the corporate purposes of the district. Condemnation proceedings may be instituted in the name of the district pursuant to a resolution of the board declaring the necessity for the taking, and the method of condemnation shall be the same as provided in KRS 416.120. When the board by resolution declares that any real property which it has acquired, or any interest therein, is no longer necessary or useful for the corporate purposes of the district, such real property and interest therein may be disposed of.

(f) Make bylaws and agreements for the management and regulation of its affairs and for the regulation of the use of property under its control and for the establishment and collection of sewer rates, rentals and charges.

(g) Make contracts and execute all instruments necessary or convenient in the premises.

(h) Borrow money and to issue negotiable bonds, and provide for the rights of the holders thereof.

(i) Fix and collect sewer rates, rentals, and other charges, for service rendered by the facilities of the district.

(j) Enter on any lands, waters and premises for the purpose of making surveys, and soundings and examination.

(k) Approve or revise the plans and designs of all sewer, storm and drainage systems, their trunk, intercepting, connecting, lateral and outlet lines or sewers, storm water drains, pumping and ventilating stations, disposal and treatment plants and works proposed to be constructed, altered or reconstructed by any other person or corporation, private or public, in any areas in the county embraced in the district. No such sewers, drains, pumping or ventilating stations, or disposal or treatment plants or works shall be constructed or reconstructed without approval by the board of the district. Any such work shall be subject to inspection and supervision of the district.

(2) No enumeration of powers in this chapter shall operate to restrict the meaning of this general grant of power or to exclude other powers comprehended within this general grant.

Section 5. (1) Any person or corporation, public or private, in any areas in the county embraced in the district submitting for approval plans and designs of sanitary sewers or storm-water drainage facilities, or any combination thereof, to be constructed by such other person or corporation, private or public, pursuant to the provisions of paragraph (k) of subsection (1) of Section 4 of this Act, shall file with the district a written application for such approval or other action upon the plans and designs submitted by such person or corporation.

(2) When the district receives an application for approval of plans or designs of sanitary sewers or storm-water drainage facilities, or any combination thereof, to be constructed by some individual or corporation, the district may examine, inspect and investigate, as seems to be advisable, the sufficiency of the facilities which the application seeks to construct, to serve the purposes intended, and may establish and make reasonable charges for such services on the basis of a schedule adjusted according to the services required to make such investigation or on any other reasonable method.

(3) When it appears to the district that the construction of any sanitary sewer or storm-water drainage facilities, or any combination thereof, being made by any other individual or corporation requires inspection and supervision in order to assure the protection of public health and the proper subsequent completion of such facility for the purposes intended, the district shall include such finding in its order approving, modifying or disapproving the particular plans and projects, and shall charge such person or corporation for such inspection and supervision on the basis of the actual cost of inspection plus a reasonable additional cost of supervision.

Section 6. (1) The district may establish a schedule of rates, rentals and charges, to be collected from all the real property served by the facilities of such district, may prescribe the manner in which and time at which such rates, rentals and charges are to be paid, and may change such schedule from time to time as the district may deem necessary, advisable or expedient. Such schedule may be based upon (a) the consumption of water on premises connected with such facilities, taking into consideration commercial and industrial use of water; or (b) the number and kind of plumbing fixtures connected with such facilities; or (c) the number of persons served by such facilities; or (d) a determination by the district on any other basis or classification which the district may determine to be fair and reasonable, whether similar or dissimilar to those enumerated; or (e) any combination thereof. This schedule may include additional charges for treatment of sewage, with a surcharge where the sewage contains industrial wastes or other wastes in excess of limitations established by regulations of the district.

(2) Prior to the final adoption or modification of such schedule, the district shall adopt a proposed schedule and publish notice thereof once a week for three consecutive weeks in a daily newspaper published in the county having the largest circulation therein. The notice so published shall be dated as of the date of first publication thereof and shall state that the proposed or revised schedule of rates, rentals and charges will remain open for inspection in the office of the district for thirty days from the date of such notice, and that objections thereto in writing may be filed during said period with the district by any person aggrieved thereby. The district shall examine and hear

any and all such complaints, may modify the proposed schedule, and shall adopt and establish a final schedule within sixty days after the date of such notice. However, the schedule finally adopted shall be sufficient and adequate to cover the purposes of this chapter. Such schedule shall be uniform for all property falling with the same classification, which classification may be based upon the length of time the property has been in the district, the drainage area within which the property lies or any similar or dissimilar reasonable classification. The schedule so adopted and established shall thereafter be the rates, rentals and charges for the use of the facilities of the district, until changed in the manner provided in this chapter. Such schedule of rates, rentals and charges shall be established and revised from time to time so as to produce, together with other sources of revenue authorized by this chapter, aggregate revenues to the district sufficient (a) for the payment of the interest on and principal of all revenue bonds and other obligations of the district; (b) for the payment of all cost and expenses of operating and maintaining the sewer and drainage system of the district, including but not limited to the salaries, wages and fees of all officers and employes of the district; and (c) for the payment of all cost of renewals and replacements of such system. However, all such expenses, salaries, wages and fees necessary or incident to improvements for the account of which bonds are issued, may be included as a part of the cost of such improvements and paid from the proceeds of such bonds. The district may collect such rates, rentals and charges, or cause them to be collected and paid to it by such agencies as it may designate, and with whom it may make such contracts or arrangements as the district deems proper. The use of all monies of the district received from any and all sources is hereby limited exclusively and shall be devoted solely to the payment of all obligations of the district and board created by this chapter, and no funds from any sources authorized by this chapter shall be diverted to any other purposes than those in this chapter set forth.

(3) Whenever any such sewer rates, rentals or charges for services rendered shall remain unpaid for a period of thirty days after the same shall become due and payable, the district shall declare such property, the owner thereof, and the user of such service, delinquent until such time as all service rates, rentals and charges are fully paid and may cut off the sewer connection and service. It is hereby declared to be unlawful for any delinquent to use water from any public water service or system and discharge same into a public sewer. No public water service or system shall furnish such delinquent with water to be discharged into a public sewer. The district may enter into agreements with any public water company or service providing for the discontinuance of water service to such delinquents.

Section 7. (1) The district shall, as promptly as possible, rehabilitate, construct, improve and extend any sewer and drainage system taken over and controlled by it, which shall include, but is not limited to, disconnection of storm water drains and constructing outlets therefor, where such work is necessary to relieve existing sanitary sewers of storm water loads, in order to permit the efficient operation of such sanitary sewers.

(2) The district may make rules and regulations for the submission of bids and the construction of such additions, betterments and extensions, or any part thereof. No contract shall be entered into for construction work or for the purchase of materials, unless the contractor shall give an undertaking with corporate surety in an amount approved by the board for the faithful performance of the contract. As to contracts entered into for construction, such undertaking shall provide, among other things, that the person or corporation entering into such contract with the district will pay for all materials furnished and services rendered in the performance of the contract, and that any person or corporation furnishing such materials or rendering such services, may maintain an action thereon to recover for the same against the obligor in the undertaking and the surety, as though such person or corporation was named therein.

Section 8. (1) The district may acquire by purchase, gift or eminent domain proceedings, the fee, or such right, title, interest or easement, in such lands as may be deemed by the district necessary for any of the purposes mentioned in this chapter, whether within or without the district and any personal property necessary for the purposes of the district. Such lands or interest therein, or personal property may be so acquired whether or not the same are owned or held for public use by corporations, associations, or other persons having the power of eminent domain, or otherwise held or used for public purposes. But nothing in this chapter shall be construed to confer upon or recognize in the district any power to acquire by agreement, purchase or gift, or by eminent domain proceedings, any fee, right, title, interest or easement in property included within the boundaries of any metropolitan sewer district organized under KRS Chapter 76 or any sanitation district organized under KRS Chapter 220, except necessary rights of way for trunk sewers through such districts. Forthwith upon the acquisition of any such fee, right, title, interest or easement, or personal property, the same shall be and become dedicated to the uses and purposes of the district.

(2) The method of condemnation of such property shall be (a) as provided in KRS 416.120, (b) as provided in subsection (6) of KRS 76.080, or (c) as provided in KRS 416.230 to 416.310, or (d) as provided in this chapter.

(3) When the district has filed a proceeding to condemn land or any interest therein or personal property, pursuant to KRS 416.230 to 416.310, and the board of the district determines that the neces-

sity for procuring possession of the property is urgent, it may pass a resolution, at the time that such condemnation is authorized or at any time thereafter, for a declaration of taking, declaring that such lands are to be taken for the use of the district. The declaration of taking shall contain, or have annexed thereto, the following:

(a) A statement of the authority under which and, the public use for which, the lands are taken;

(b) A description of the lands taken sufficient for identification thereof;

(c) A statement of the estate or interest in the lands taken for such public use; and

(d) A plat showing the lands taken.

(4) At any time after the report of the commissioners has been made, the district may file the declaration of taking and make a deposit with the clerk of the court of the sum of money stated in the award of the commissioners appointed. Title to such lands in fee simple or such lesser estate as is specified in the declaration or to the personal property shall then vest in the district, and the right to just compensation for such land or interest therein or personal property shall vest in the persons entitled thereto. Compensation shall be ascertained and awarded in such proceeding as otherwise provided in KRS 416.230 to 416.310.

Section 9. (1) Where railroad tracks, street railroad tracks, gas or water pipes, telephone wires, telegraph wires, electric light or power lines or conduits, for carrying telephone or telegraph or electric wires, or poles, or other structures of any public service corporation, extend in, along or across any part of the work authorized by this chapter, the person or corporation owning or using such tracks, pipes, wires, conduits, poles, or other structures, shall:

(a) Make such changes in the same at the expense of the district as may be required during the construction of any improvement provided for in this chapter; and

(b) Construct or rebuild at the expense of the district its tracks, pipes, wires, conduits, poles or other structures, over or along the work by this chapter authorized and constructed, and at its own expense maintain the same after such work has been completed.

(2) However, such changes of that part of such tracks, pipes, wires, conduits, poles or other structures as may be or extend in a public way, shall be made at the expense of the public service corporation owning or using the same only if necessary to afford the district reasonable use of such public way. Reasonable notice in writing of such necessary changes shall be given by the district to the parties concerned. The district may enter upon streets, highways, bridges or public places, for the purpose of constructing any additions, betterments or extensions of the facilities of the district. Whenever the dis-

trict has entered upon and damaged any street, highway, bridge or other public place, the same shall be restored to its former condition at the expense of the district.

Section 10. (1) In order to establish, construct, reconstruct, operate or maintain a comprehensive sewage, storm water and surface drainage system within the district, the district, through its board, may levy an ad valorem tax upon the property in the district, not exceeding limits designated by the Constitution of the Commonwealth. However, no such levy of the district shall become effective until such levy has been approved by a vote of the voters pursuant to the approval procedure relating to a tax levy in Sections 11 and 12 of this 1962 Act.

(2) When such tax levy has been fully approved, the county tax commissioner of the county involved, with the cooperation of the board, shall note on the tax rolls the taxpayers and valuation of the property subject to such tax. The county clerk shall compute the tax on the regular state and county tax bills in such manner as may be directed by regulation of the Department of Revenue.

(3) Such taxes shall be subject to the same delinquency date, discounts, penalties and interest as are applied to the collection of ad valorem taxes and shall be collected by the sheriff of the county involved and accounted for to the board. The sheriff shall be entitled to a fee of one percent of the amount collected.

Section 11. (1) Whenever the board deems it necessary to construct, improve, remodel or restore sewage or drainage facilities, or both, and annual funds raised from other sources are not sufficient to accomplish such purposes, the board shall make a careful estimate of the amount of money required for the purposes and shall by resolution: (a) certify to the proper election officials that an election for an issue of bonds for such purposes shall be held; (b) state the amount for which bonds shall be issued and the purpose to which the proceeds shall be applied; (c) fix the time the bonds shall run, and if a serial issue, the amount to mature at each time; (d) limit the rate of interest to be permitted on the bonds which shall not exceed six percent; (e) state the total amount of bonds to be issued; (f) provide for the levy of a tax to pay the interest and creation of a sinking fund to retire the bonds at their maturity, and (g) state the question which shall be submitted to the qualified voters within such district as to whether such bonds shall be issued for the purposes and the question as to whether a tax shall be levied to pay interest and retire the bonds. The question shall be so framed that the voter may by his vote answer "For" or "Against."

(2) The election shall be held at either the next general or primary election held not less than sixty days after the resolution of the board described in subsection (1) of this section has been made.

The election shall be conducted and carried out in the entire district and in all respects as required by the general election laws, and shall be held by the same officers as required by the general election laws.

Section 12. (1) If a majority of those voting on the question vote in favor of the proposition, the bonds shall be issued. They shall be placed under the control of the board and the board shall determine when and at what price, and how the bonds shall be sold, the date, number of bonds, denomination, whether coupon or registered, the rate of interest, the frequency and place of payment of principal and interest, and other details as desired, embodied in the bonds or in the resolution providing for their issue.

(2) The board shall then at once adopt a resolution and cause the bonds to be at once properly prepared and executed and otherwise prepared for sale and delivery. The bonds shall be signed by the chairman and secretary of the board and shall not be sold for less than par and accrued interest. As the bonds are sold, their proceeds shall be placed to the credit of the board in a depository designated by the board and shall be kept in a separate account. The depository shall be required to execute proper bond covering the funds.

(3) The board shall levy annually a tax, authorized pursuant to Section 10 of this 1962 Act, sufficient to raise the sum for the payment of the interest and to create a sinking fund for the payment of the bonds at maturity. The bonds shall be a charge upon the district.

(4) The bonds shall be sold at public sale for such price or prices as the board shall determine, provided that the interest costs of the money received from any issue of such bonds shall not exceed six percent per annum when computed to the maturity of the bonds according to standard tables of bond values.

(5) Any resolution or resolutions authorizing any bonds under this section may contain provisions, which shall be a part of the contract with the holders of the bonds, as to (a) pledging all or any part of the gross or net revenues of the district to secure the payment of the bonds and interest thereon; (b) the amounts to be raised in each year by rates, rentals and charges, and the use and disposition thereof, and of any other revenues of the district; (c) the setting aside of reserves or sinking funds and the regulation and disposition thereof; (d) limitations on the right of the district to restrict and regulate the use of its facilities; (e) limitations on the purposes to which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied; (f) limitations on the issuance of additional bonds; and (g) the procedure, if any, by which the term of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given.

(6) The bonds or other obligations of the district shall not constitute an obligation or indebtedness of the county or of any city within the county and it shall be plainly stated on the face of each bond of the district that it has been issued under the provisions of this chapter, and that it does not constitute an indebtedness of the county or of any city within the county. All bonds authorized under this section may be issued without any other proceedings or happenings of any other conditions or things than those proceedings, conditions and things which are specified and required by this chapter.

Section 13. (1) The district shall have power, and it is hereby authorized from time to time, to issue its negotiable interest-bearing revenue bonds for any of its corporate purposes, and it may also, from time to time, issue its negotiable interest-bearing revenue bonds to refund any of its bonds at maturity or pursuant to redemption provisions, or at any time before maturity with the consent of the holders thereof. All such bonds, including interest thereon, shall be payable solely from and secured only by revenues of the district realized through the collection of rates, rentals, or other charges, imposed for use of the facilities of such district. Such bonds shall be authorized by resolution of the board and shall bear such date or dates, mature at such time or times not exceeding forty years from their respective dates, bear interest at such rate or rates, not exceeding five percent per annum, payable semi-annually, be in such denominations and in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment at such place or places, and be subject to such terms of re-redemption, with or without premiums, as such resolution or resolutions may provide. The bonds shall be sold at public sale for such price or prices as the board shall determine, provided that the interest cost of the money received from any issue of such bonds shall not exceed five percent per annum when computed to the maturity of the bonds according to standard tables of bond values.

(2) Any resolution or resolutions authorizing any bonds hereunder, may contain provisions, which shall be a part of the contract with the holders of the bonds, as to (a) pledging all or any part of the gross or net revenues of the district to secure the payment of the bonds and interest thereon; (b) the amounts to be raised in each year by rates, rentals, and charges, and the use and disposition thereof, and of any other revenues of the district; (c) the setting aside of reserves or sinking funds and the regulation and disposition thereof; (d) limitations on the right of the district to restrict and regulate the use of its facilities; (e) limitations on the purposes to which the proceeds of sale of any issue of bonds then or thereafter to be issued may be applied; (f) limitations on the issuance of additional bonds; (g) the procedure, if any, by which the term of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of

which must consent thereto and the manner in which such consent may be given.

(3) The bonds or other obligations of the district shall not constitute an obligation or indebtedness of the county or of any city within the county and it shall be plainly stated on the face of each bond of the district that it has been issued under the provisions of this chapter, and that it does not constitute an indebtedness of the county or of any city within the county. All bonds authorized hereunder may be issued without a vote of the voters and without any other proceedings or happenings of any other conditions or things than those proceedings, conditions and things which are specified and required by this chapter. Such bonds shall be signed in the name of the district by the chairman or vice-chairman of the board, attested by the signature of the secretary-treasurer, with corporate seal of the district attached.

Section 14. (1) In the event that the district shall default in the payment of principal of, or interest on, any of the bonds issued pursuant to this chapter after the said principal or interest shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty days, or in the event that the district shall fail or refuse to comply with the provisions of this chapter, or shall default in any agreement made with the holders of the bonds, the holders of twenty percent in aggregate principal amount of the bonds then outstanding, by instrument or instruments filed in the office of the county clerk of the county and proved or acknowledged in the same manner as a deed to be recorded, may apply to a judge in the chancery branch of the circuit court of the county, to appoint a committee to represent all of the bondholders for the purposes herein provided. Upon such application such judge shall appoint a trustee and such trustee may, and upon written request of the holders of twenty percent in principal amount of the bonds of the district then outstanding shall, in his or its own name, (a) by mandamus or other suit, action or proceeding at law or in equity, enforce all rights of the bondholders, including but not limited to the right to require the district to collect rates, rentals, and other charges, adequate to carry out any agreement as to, or pledge of, the revenues of the district, and to require the district and its officers to carry out any other agreement with the bondholders and to perform its and their duties under this chapter; (b) bring suit upon the bonds; (c) by action or suit in equity, require the district to account as if it were the trustee of an express trust for the bondholders; (d) by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of bondholders; (e) declare all bonds due and payable, and if all defaults shall be made good then to annul such declarations and its consequences.

(2) Any such trustee, whether or not all bonds have been declared due and payable, shall be entitled as of right, upon application to the judge in the chancery branch, to the appointment of a receiver, who may enter upon and take possession of the facilities of the district, or any part or parts thereof, and operate and maintain the same, and collect and receive all rentals, rates, and other charges, and other revenues, of the district, thereafter arising therefrom, in the same manner as the district and its officers might do, and shall deposit all such monies in a separate account and apply the same in such manner as such court shall direct. In any suit, action, or proceeding, by the trustee, the fees, counsel fees, and expenses of the trustee and of the receiver, if any, shall constitute disbursements taxable as costs. All costs and disbursements allowed by the court shall be a first charge on any revenue derived from the facilities of the district. Such trustee shall, in addition to the foregoing, have and possess all of the powers necessary or appropriate for the exercise of any functions specifically set forth herein or incident to the general representation of the bondholders in the enforcement and protection of their rights.

Section 15. In order to promote and protect its activities and facilities, and in furtherance of the public health, the district may enter into contracts with, and thereunder it may permit a metropolitan sewer district organized under KRS Chapter 76, sanitation districts organized under KRS Chapter 220, cities, sewer and drainage districts of whatever nature, located in the same county, to connect with and use the facilities of the district. The rates for such service and connections shall be such as may be agreed upon between the contracting parties.

Section 16. The district is authorized to enter into negotiations with the Federal Government and the Commonwealth of Kentucky, or either of them, or the agencies of both or either, and apply and obtain from them or either or both of them, any and all grants-in-aid that may be available.

Section 17. It is hereby found and declared that the creation of the district and the carrying out of its corporate purposes is in all respects in the interest of the public health and is a public purpose; that the district is performing a governmental function in the exercise of the powers conferred upon it by this chapter and it shall be required to pay no taxes or assessments upon any property owned or acquired by it, under its jurisdiction, control, possession, or supervision, or upon its activities in the operation and maintenance of its facilities. Bonds issued by the district and income therefrom are exempt from taxation.

Section 18. Section 76.010 of the Kentucky Revised Statutes is amended to read as follows:

In the interest of the public health and for the purpose of providing adequate sewer and drainage facilities in and around each city of the first class [and in each county containing such city,] there may be created and established therein a [joint] metropolitan sewer district under the provisions of this chapter, having the powers, duties and functions as herein prescribed, and to be known by and under the name of ------------------(Name of city of the first class) [and ------------------(Name of county)] Metropolitan Sewer District, which district under said name shall be a public body corporate, and political subdivision, with power to adopt, use and alter at its pleasure a corporate seal, sue and be sued, contract and be contracted with, and in other ways to act as a natural person, within the purview of this chapter.

Section 19. Section 76.030 of the Kentucky Revised Statutes is amended to read as follows:

(1) The business, activities, and affairs of such district shall be managed, controlled and conducted by a board composed of five members, *each* [three] of whom shall be appointed by the mayor of such city subject to the approval of the city legislative body [, and two of whom shall be appointed by the county judge of such county subject to the approval of the fiscal court,] and which five members thus appointed shall constitute the board of such district. Not more than three members of the board shall be affiliated with the same political party.

(2) Each such member shall be at least twenty-five years of age [;] [each appointed by the mayor] and shall be a resident of such city [and] wherein he shall have actually continuously resided for at least three years next prior to appointment [; each appointed by the county judge shall be a resident of such county outside the limits of the city and wherein he shall have actually continuously resided for at least three years next prior to appointment]. No officer or employe of such city [or county,] whether holding a paid or unpaid position, shall be eligible for appointment as a member of such board.

(3) [On the first day of July, 1946, or as soon thereafter as may be practicable, the mayor, subject to the approval of the city legislative body shall appoint one member for a term of two years, one member for a term of three years, and one member for a term of four years, and the county judge, subject to the approval of the fiscal court, shall appoint one member for a term of three years and one member for a term of four years, and upon the expiration of each of said terms respectively and thereafter,] *T*he term of each of such members shall be four years, ending on July first. A member is eligible to succeed himself, and shall continue in office until his successor has been appointed and qualified. Vacancies in the membership shall be filled for the unexpired portion of the term by the mayor [or the county

judge as the case may be,] subject to the [same] approval *of the city legislative body.*

(4) Any member of the board appointed by the mayor may be removed by the mayor, for cause, after hearing by the mayor, and after at least ten days' notice in writing shall have been given to the member, which notice shall embrace the charges preferred against him. At the hearing he may be represented by counsel. The finding of the mayor shall be final and removal results in vacancy in such office. [Any member of the board appointed by the county judge may be removed by the county judge, for cause, after hearing by the county judge, and after at least ten days' notice in writing shall have been given to the member, which notice shall embrace the charges preferred against him. At the hearing he may be represented by counsel. The finding of the county judge shall be final and removal results in vacancy in such office.]

(5) The members of the board shall be paid ten dollars for each meeting of the board attended by such member, but no member of said board shall be paid more than two hundred and forty dollars during any fiscal year of the board, nor for more than twenty-four meetings held during any fiscal year of said board.

Section 20. Section 76.080 of the Kentucky Revised Statutes is amended to read as follows:

The district created under the provisions of this chapter is empowered:

(1) To have jurisdiction, control, possession, and supervision, of the existing sewer and drainage system of such city of the first class; to maintain, operate, reconstruct, and improve the same as a comprehensive sewer and drainage system, and to make additions, betterments, and extensions thereto, within the corporate limits of such city of the first class *and in areas in the county in which such city is located outside the city limits which may be embraced in the district* [and within the limits of the county containing such city beyond such city limits,] and to have all the rights, privileges, and jurisdiction necessary or proper for carrying such powers into execution. No enumeration of powers in this chapter shall operate to restrict the meaning of this general grant of power or to exclude other powers comprehended within this general grant.

(2) To prepare or cause to be prepared and to be thereafter revised and adopted, plans, designs, and estimates of costs, of a system of trunk, intercepting, connecting, lateral, and outlet sewers, storm water drains, pumping and ventilating stations, disposal and treatment plants and works, and all other appliances and structures, which in the judgment of the board will provide an effective and advantageous means for relieving such city of the first class and areas in the county in which such city is located outside the city limits

which may be embraced in the district, from inadequate sanitary and storm water drainage and from inadequate sanitary disposal and treatment of the sewage thereof, or such sections or parts of such system as the board may from time to time deem proper or convenient to construct, consistent with the plans and purposes of this chapter, and is authorized and empowered to take all such steps as the board may deem proper and necessary to effect the purposes hereof.

(3) To construct any additions, betterments, and extensions to the facilities of the district, by contract or contracts, or under, through, or by means of its own officers, agents, and employes. Provided, however, that before any construction of new sewers or the extension of any existing sewers is begun, the plans for all such projects shall, if said project is within the corporate limits of the City of Louisville, be first submitted to the Director of Works of the City of Louisville for approval by him, and, if so approved, then to be approved by ordinance adopted by the Board of Aldermen of the City of Louisville; and if said project is outside the corporate limits of the City of Louisville, the plans therefore shall then be first approved by the County Engineer of Jefferson County, and, if approved by him, then to be approved by proper action of the Fiscal Court of Jefferson County, except that if said project is without the corporate limits of the City of Louisville but within the corporate limits of any incorporated city, drainage district, or other political subdivision within Jefferson County, then such prior approval shall be obtained from the governing authorities of any such political subdivisions or district.

(4) To establish, construct, operate, and maintain, as a part of the sewer and drainage system of the district, sewage treatment and disposal plants and systems and all the appurtenances and appliances thereunto belonging. Such sewage treatment and disposal plants may be located in the city, or beyond the limits of the city in the county in which the city is located, as the board may deem expedient.

(5) To acquire and hold such personal property as the board may deem necessary and proper for carrying out the corporate purposes of the district and to dispose of personal property when the district has no further need therefor.

(6) To acquire by purchase, gift, lease, or by condemnation, such real property or any interest, right, easement, or privilege therein, as the board may determine necessary, proper and convenient for the corporate purposes of the district, and to use the same so long as such corporate existence shall continue, and same is necessary or useful for the corporate purposes of the district. Condemnation proceedings may be instituted in the name of the district pursuant to a resolution of the board declaring the necessity for the taking, and the method of condemnation shall be the same as provided in KRS 416.120. When the board by resolution declares that any real property which it has acquired, or any interest therein, is no longer necessary or useful

for the corporate purposes of the district, such real property and interest therein may be disposed of.

(7) To make bylaws and agreements for the management and regulation of its affairs and for the regulation of the use of property under its control and for the establishment and collection of sewer rates, rentals and charges, which sewer rates, rentals and charges, applicable within the limits of a city of the first class, shall be subject to the approval, supervision and control of the legislative body of such city as hereinafter provided.

(8) To make contracts and execute all instruments necessary or convenient in the premises.

(9) To borrow money and to issue negotiable bonds and to provide for the rights of the holders thereof.

(10) To fix and collect sewer rates, rentals, and other charges, for service rendered by the facilities of the district, which sewer rates, rentals, and other charges, applicable within the limits of a city of the first class, shall be subject to the approval, supervision and control of the legislative body of such city as hereinafter provided.

(11) To enter on any lands, waters and premises for the purpose of making surveys, and soundings and examinations.

(12) To approve or revise the plans and designs of all trunk, intercepting, connecting, lateral and outlet sewers, storm water drains, pumping and ventilating stations, disposal and treatment plants and works proposed to be constructed, altered or reconstructed by any other person or corporation, private or public, in any city of the first class *or in areas in the county in which that city is located outside the city limits which may be embraced in the district* [or county containing such city]. No such sewers, drains, pumping or ventilating stations, or disposal or treatment plants or works shall be constructed or reconstructed without approval by the board of the district. Any such work shall be subject to inspection and supervision of the district.

Section 21. Section 76.085 of the Kentucky Revised Statutes is amended to read as follows:

(1) Any person or corporation, public or private, in any city of the first class *or in areas in the county in which such city is located outside the city limits which may be embraced in the district* [or in the county containing such city] submitting for approval plans and designs of sanitary sewers and/or storm-water drainage facilities, to be constructed by such other person or corporation, private or public, pursuant to the provisions of subsection (12) of KRS 76.080 shall file with *the* [a] metropolitan sewer district a written application for such approval or other action upon the plans and designs submitted by such person or corporation.

(2) When a metropolitan sewer district receives an application for approval of plans or designs of sanitary sewers and/or storm-water

drainage facilities to be constructed by some individual or corporation, the metropolitan sewer district is authorized and empowered to examine, inspect and investigate, as seems to be advisable, the sufficiency of the facilities which the application seeks to construct, to serve the purposes intended, and to establish and make reasonable charges for such services on the basis of a schedule adjusted according to the services required to make such investigation or on any other reasonable method.

(3) When it appears to the metropolitan sewer district that the construction of any sanitary sewer and/or storm-water drainage facility being made by any other individual or corporation, requires inspection and supervision in order to assure the protection of public health and the proper subsequent completion of such facility for the purposes intended, the metropolitan sewer district shall include such finding in its order approving, modifying or disapproving the particular plans and projects, and shall charge such person or corporation for such inspection and supervision on the basis of the actual cost of inspection plus a reasonable additional cost of supervision.

Section 22. Section 76.170 of the Kentucky Revised Statutes is amended to read as follows:

(1) The initial unit of the district embraces the area that is coterminous with the boundaries of the city of the first class, subject to extension in the county beyond the boundaries of such city, as in this chapter provided. [Where such a metropolitan district has been formed to include a city of the first class, any territory annexed to such city shall thereby immediately become a part of the district.] The district may construct and extend its initial sewer and drainage system and facilities beyond the corporate limits of such city of the first class and within the county in which such city is located whenever the district and the owner or owners of real property to be served and located outside the limits of such city, by appropriate written instrument, agree as to apportionment of any and all costs of construction work, subsequent maintenance and operation appertaining thereto, and as to payments by the owner or owners of such real property, of rates, rentals and charges, for the services and facilities to be thus afforded. Thereupon such real property served becomes a part of and is embraced in the district. In like manner the district may construct and extend its sewer and drainage system and facilities so as to serve all or any part of any other city or other incorporated area located in the same county, pursuant to a written agreement between the district and such other city or incorporated area approved by their respective governing boards or bodies. All such agreements referred to in this section shall be in appropriate form for recording and shall be filed of record with the county clerk as other instruments relating to transfer of or creating a lien upon real estate. Any such agreements entered into by the district pursuant to this section may

provide that the corporate boundaries of the district shall be enlarged and extended so as to include the real property of such other city or incorporated area, or part thereof, to be served pursuant to such agreement, and in such case when such instrument has been filed of record with the county clerk as aforesaid, the corporate boundaries of the district shall be thereby officially enlarged and extended so as to include same. *Such agreements, however, are not valid until approved by the board of the district created under Sections 1 to 17 of this 1962 Act.*

(2) The words "incorporated area" as used in this section shall not mean or apply to any sanitation district organized under Chapter 220 of the Kentucky Revised Statutes.

Section 23. Section 76.172 of the Kentucky Revised Statutes is amended to read as follows:

(1) The ordinance providing for the construction of sewerage or drainage facilities and appurtenances shall describe the nature and kind of facilities to be furnished and shall describe the particular area benefited by said sewerage or drainage facilities.

(2) The costs of the sanitary sewers, combined sewers, drains, and appurtenances shall be assessed against the land in said benefited area according to the number of square feet in any lot or tract within the area described in the ordinance, but on any sewer or drain greater in size than ten inches in diameter, the percentage of cost to be paid by the owners of property in said assessment area shall not be greater than the estimated cost of a sewer ten inches in diameter on the same slope, at the same depth, and of the same materials as the sewer or drain constructed. The rate of apportionment shall be the same for each square foot of land in said benefited area, and shall be determined by dividing the cost of the assessable sanitary sewers, combined sewers, drains and appurtenances by the total area of all land benefited in the area.

(3) The costs of property service connections from the sewer to the property line or easement line as required shall be assessed against the individual lots or tracts to which such property service connections are furnished. The costs to be assessed for the property service connections shall be fixed by regulation of the metropolitan sewer district based on its experience of costs for such work.

(4) All land included in said described territory shall be assessed, except such property dedicated to use for public roadways and property owned by cities of the first or second class, counties containing cities of the first or second class, and any joint agencies of such cities and counties.

(5) When the board of a metropolitan sewer district determines that such construction of sanitary sewers, combined sewers,

drains, appurtenances or property service connections at the cost of the property owners shall be recommended to the board of aldermen of a city of the first class, the metropolitan sewer district shall cause its engineering department to prepare complete drawings and specifications for the work and to keep same available for inspection in its offices.

(6) (a) The actual construction work of the sanitary sewers, combined sewers, drains, appurtenances or property service connections constructed pursuant to such ordinance shall be done by, or under the control of, the metropolitan sewer district.

(b) The cost of the sanitary sewers, combined sewers, drains, appurtenances or property service connections shall include not only the actual construction costs and the costs of any easements required for the sewers, but also costs of surveys, designs, plans, specifications, advertising, inspection and administration; however, these costs other than actual construction costs and costs of easements shall not exceed fifteen percent of the actual construction costs of the project. The costs of surveys, designs, plans, specifications, advertising, inspection and administration, but not exceeding a total of fifteen percent of the actual construction costs and the cost of any easements shall be paid by the contractor to the metropolitan sewer district at the completion of the work so that such costs may be included in the apportionment warrants.

(7) A lien superior to all liens except the liens for state, county, city, school and road taxes and liens prior in time for other public improvements shall exist against the respective lots or tracts of land for the cost of the sanitary sewers, combined sewers, drains, appurtenances or property service connections for apportionment as hereinafter provided for, and interest thereon at the rate of six percent per annum.

(8) No error in the proceedings of the city legislative body shall exempt such property from payment after the work has been done as required by either the ordinance or contract, but the city legislative body, or the courts in which suits shall be proceeding, shall make all corrections, rules and orders to do justice to all parties concerned. In no event, if the sanitary sewers, combined sewers, drains, appurtenances or property service connections are constructed as provided, by ordinance or contract, shall the city or the metropolitan sewer district be liable for the costs of the sanitary sewers, combined sewers, drains, appurtenances or property service connections without the right to enforce such costs against the property receiving the benefit.

(9) Upon completion and acceptance of the sewer facility constructed, the metropolitan sewer district shall make out all apportionment warrants for which liens are given for improvements of sewer facilities and shall immediately enter them in alphabetical order upon

a register kept for that purpose. When the holder of the warrant has obtained payment, he shall notify the metropolitan sewer district and it shall mark upon the register the fact of payment.

(10) The lien shall exist from the date of the apportionment warrant, but a lien shall not be valid against a purchaser for a valuable consideration without notice, unless the apportionment warrant is entered and registered within ten days of its issuance.

(11) After any sewer facilities have been constructed in conformity with this section the metropolitan sewer district shall give notice by one publication in a newspaper of general circulation in the city of the costs apportioned, and the amounts assessed and levied on the various tracts of land liable for the payment.

(12) When property is annexed to a city of the first or second class and subsequently is connected to a sewer owned or operated by the metropolitan sewer district, payment shall be made to the district of a proportionate part of the construction costs of the sewer on the basis that would apply if the sewer were being built within the corporate limits of the city by apportionment of costs against the benefited area as provided in this section.

Section 24. Section 76.180 of the Kentucky Revised Statutes is amended to read as follows:

The district created under the provisions of this chapter shall have power to make and promulgate all rules and regulations proper or necessary to regulate the use, operation, and maintenance of property and facilities under its control, and to carry into effect the powers granted the district by this chapter. The jurisdiction of the district shall extend beyond the corporate boundaries thereof for regulation of any sewers, drains, or water courses, which by natural flow, or otherwise, empty into or flow through any part of the district or the district facilities, or are used by the district or flow through or are constructed in the county in which such district exists. *Provided, however, that such jurisdiction beyond the corporate boundaries of the district shall cease upon the organization of a sanitation district pursuant to Sections 1 to 17 of this 1962 Act.*

Section 25. Section 76.091 of the Kentucky Revised Statutes is repealed.

HB 403, AN ACT relating to motor vehicles.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 186.020 of the Kentucky Revised Statutes is amended to read as follows:

(1) Before the owner of a motor vehicle, other than a motor vehicle engaged in the transportation of passengers for hire operating

under a certificate of convenience and necessity, may operate it or permit its operation upon a highway *or a road construction site where a highway is being built,* the owner shall apply for registration in accordance with regulations issued by the department, except that a person who purchases a motor vehicle, or brings a motor vehicle into the Commonwealth from another state shall make application for registration within five days. The bill of sale must be in the motor vehicle during this five day period. If the owner of a motor vehicle is an individual and resides in the Commonwealth, the motor vehicle shall be registered with the county clerk of the county in which he resides. If the owner of a motor vehicle does not reside in the Commonwealth, the motor vehicle shall be registered with the county clerk of the county in which the motor vehicle is principally operated. If the owner of a motor vehicle is other than an individual and resides in the Commonwealth, the motor vehicle shall be registered with the county clerk of either such county. The application when presented to the county clerk for registration shall be accompanied by:

(a) A bill of sale and a manufacturer's certificate of origin if the application is for the registration of a new motor vehicle; or

(b) The owner's registration receipt, if the motor vehicle was last registered in this state; or

(c) A bill of sale and the previous registration receipt, if last registered in another state where the law of such state does not require the owner of a motor vehicle to obtain a certificate of title or ownership; or

(d) A certificate of title, if last registered in another state where the law of such state requires the owner of a motor vehicle to obtain a certificate of title or ownership.

(2) After that, the owner shall register his motor vehicle on or before March 1 of each year. If, before operating such motor vehicle in this state, the owner registers it at some later date and pays the fee for the full year, he will be deemed to have complied with the law. Insofar as the owner is concerned, registration with the clerk shall be deemed to be registration with the department.

(3) The application and documents presented therewith shall be retained on file in the office of the clerk for a period of not less than seven years.

HB 536, AN ACT relating to livestock disease control.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 257.180 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person shall use any serum, *modified live* virus or other material containing the germ of glanders, Texas fever, hog cholera,

hydrophobia, contagious pleuro-pneumonia, anthrax, black leg or any other contagious disease, unless the serum, virus or other material has been approved by the Bureau of Animal industry of the United States Government, the experiment station or the board.

(2) No person shall sell, purchase or use any live virulant virus containing the germ of hog cholera except for supervised research and biological production authorized by the board.

Section 2. Section 257.190 of the Kentucky Revised Statutes is amended to read as follows:

(1) No person manufacturing anti-hog cholera serum or virus or any other product used in the prevention or treatment of swine diseases, shall sell such products or offer them for sale unless he pays or causes to be paid to the chairman of the board an annual license fee of fifty dollars and executes bond in the sum of five thousand dollars for faithful compliance with the regulations of the board. The bond shall be acceptable to the chairman of the board.

(2) No person shall knowingly purchase or use anti-hog cholera serum or *modified live* virus or any other product used in the prevention or treatment of swine diseases, manufactured and sold by any person who has not complied with subsection (1).

(3) This section shall not prohibit any pharmacist regularly licensed by this state, from selling in this state anti-hog cholera serum or virus or any other product used in the prevention or treatment of swine diseases, which has been government inspected and approved, provided it is sold by a manufacturing concern licensed under this section.

Section 3. Section 257.200 of the Kentucky Revised Statutes is repealed.

HB 477, AN ACT relating to wrongful deaths.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 411.130 of the Kentucky Revised Statutes is amended to read as follows:

(1) Whenever the death of a person results from an injury inflicted by the negligence or wrongful act of another, damages may be recovered for the death from the person who caused it, or whose agent or servant caused it. If the act was willful or the negligence gross, punitive damages may be recovered. The action shall be prosecuted by the personal representative of the deceased.

(2) The amount recovered, less funeral expenses and the cost of administration and costs of recovery, including attorney fees not included in the recovery from the defendant, shall be for the benefit of and go to the kindred of the deceased in the following order:

(a) If the deceased leaves a widow or husband, and no children or their descendants, then the whole to the widow or husband.

(b) If the deceased leaves a widow and children or a husband and children, then one-half to the widow or husband and the other one-half to the children of the deceased.

(c) If the deceased leaves a child or children, but no widow or husband, then the whole to the child or children.

(d) If the deceased leaves no widow, husband or child, then the recovery shall pass to the mother and father of the deceased, one moiety each, if both are living; if the mother is dead and the father is living, the whole thereof shall pass to the father; and if the father is dead and the mother living, the whole thereof shall go to the mother.

(e) If the deceased leaves no widow, husband or child, and if both father and mother are dead, then the whole of the recovery shall become a part of the personal estate of the deceased, and after the payment of the debts the remainder, if any, shall pass to his kindred more remote than those above named, according to the law of decent and distribution.

(f) Father and mother as used herein shall mean the natural father and mother, unless the deceased shall have been adopted, in which case father and mother shall mean the adoptive father and mother.

HB 343, AN ACT relating to county children's bureaus.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 200.140 of the Kentucky Revised Statutes is amended to read as follows:

(1) The fiscal court of any county [,] *may establish a county children's bureau* with the advice and assistance of the *Child Welfare Department* [department]. When the fiscal court has authorized the establishment of such *a* bureau *by an order duly made and entered,* the county judge [and the county superintendent of schools] shall submit to the *Child Welfare Department* [department] a list of *twenty seven* [nine] persons, *and from the list the Department shall recommend nine representative persons of the county who have demonstrated an interest in child welfare, at least three of whom shall be women, who shall constitute the children's bureau of said county.* [or if the county contains a city of the first or second class, fifteen persons, including both men and women. From this list, the department shall recommend three persons, or if the county contains a city of the first or second class, five persons, who shall then be appointed by the county judge and the county superintendent of schools.] *The original appointees shall be appointed for terms as follows: three each*

for one year; three each for two years; three each for three years. At the expiration of these initial terms each appointment thereafter shall be for a three year term. A bureau member having served two full three year terms may after the absence of one year from the bureau be reappointed for a full three year term and be eligible for reappointment at the end of such term. Each county bureau shall annually elect a chairman, vice chairman, treasurer and a secretary from among its members, meet at least monthly and may hold such special meetings as are called by the chairman or by majority in writing, a majority shall constitute a quorum for the purposes of transacting business. In those counties which have in existence a county children's bureau at the effective date of this Act, the following conditions apply. Two of the present members of the bureau shall serve for one year, two each for two years, and one for three years. The new appointees shall serve as follows: One each for one year, and one each for two years, and two each for three years. At the expiration of these terms each appointment thereafter shall be for a three year term. The four new appointees shall be appointed by the county judge, from a list of twelve representative citizens of the county submitted to the county judge by the incumbent children's bureau. The list shall be submitted to the Child Welfare Department, and from this list the Department shall recommend four citizens to be appointed to the Children's Bureau. At the end of one year from the effective date of this bill the county judge shall submit a list of three names of representative citizens of the county for each vacated position on the bureau due to expiration of term. The county judge shall submit the list of three names to the Child Welfare Department for any vacated position on the bureau. From this list the Child Welfare Department shall select one bureau member. In the event that the county judge does not submit a list of representative citizens to the Child Welfare Department the term of the outgoing member shall continue until a qualified successor has been appointed.

(2) Members of the county bureau shall serve without compensation but may be reimbursed by the county for all necessary expenses incurred in the discharge of their official duties. The fiscal court shall provide funds for the establishment and maintenance of the county children's bureau and shall provide office space and equipment required for operation of said bureau.

[The members thus appointed shall constitute a county children's bureau for the county. Both sexes shall be represented in the membership of the bureau. The original members shall serve for one, two and three years respectively, or if five members are appointed, one shall serve for one year, two for two years and two for three years. Thereafter all appointive members shall serve for three years or until their successors have been qualified. The members shall serve without compensation but may be reimbursed by the county for all necessary expenses incurred in the discharge of their official duties. The fiscal court may provide funds for the establishment and maintenance of the county bureau, and each bureau shall have office or desk room in the courthouse at the county seat.]

[(3) Each year the county bureau shall elect a chairman and a secretary from among its members. Each bureau shall hold an annual meeting and such special meetings as are called by the chairman or requested in writing by a majority of the members.]

Section 2. In those counties which have in existence a county children's bureau at the time of the effective date of this Act, the incumbent members shall determine the length of term of each by drawing lots. Two of the present members of the bureau shall then serve for one year, two each for two years, and one each for three years. The new appointees shall draw lots to determine their original terms as follows: one each for one year, one each for two years, and two each for three years. After the first year all appointments, except those to fill vacancies, shall be for a period of three years. Appointments for successors and on expired terms shall be made from lists on the same basis as original appointments are made.

Section 3. Section 200.150 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county children's bureau *shall* [may] appoint an executive *director who is fully qualified as a child welfare worker and shall serve at the pleasure of the bureau. The executive director shall receive a salary fixed by the bureau.* [secretary whose qualifications for the position have been approved by the department. The executive secretary shall receive a salary fixed by the county children's bureau and shall serve during its pleasure. The executive secretary may appoint such properly trained assistants as are authorized and approved by the county children's bureau at such salaries as are designated by it. The county children's bureau may pay, out of such sums as are appropriated to its use by the fiscal court, the salaries of its executive secretary and his assistants, the necessary traveling expense of its members, executive secretary and other agents and such other expenses as are incidental to the discharge of its duties.]

(2) *The executive director may appoint and direct properly trained assistants, clerical staff, and institutional staff to such positions as are authorized by the bureau, and all salaries and necessary expenses of the county children's bureau shall be paid from appropriations made by the fiscal court to the county bureau, and from such other funds as may be available. The executive director shall carry out the policies as developed and recommended by the bureau.*

(3) *The county children's bureau may receive, invest, and disburse any and all gifts, grants and bequests made to or for the benefit of the county bureau.*

(4) [2] The county children's bureau of two or more counties[,] *may* with the approval of *their* [the] *respective* fiscal courts, [of their respective counties, may] unite in the employment of an executive *director* [secretary] *and staff.* [and such other assistants as may be deemed necessary, and shall agree upon the part of the total expense which each county children's bureau shall pay.] *And, in the operation of such institutions, offices, and services as may be deemed necessary, the fiscal court shall agree upon the part of the total expenses which each county shall bear, and in the procedure for the election and removal of the director and staff, as herein provided.*

(5) The county children's bureau may, from time to time, designate persons to serve for stated purposes and periods of time on such special committees as the bureau may deem expedient in the discharge of its duties.

Section 3. Section 200.160 of the Kentucky Revised Statutes is amended to read as follows:

The *duties of the* [county] children's bureau shall[:] *be as follows:*

(1) Discover dependent[,] *and* neglected [, delinquent and defective] children *in the county,* and obtain for them the benefits of the law;

(2) Administer the funds appropriated by the fiscal court, *municipal government or derived from gifts, bequests, or grants for child welfare services in the county;* [for mothers' aid]

(3) [5] Make such investigations and perform such other service pertaining to children as the fiscal court or the county judge requests. In no event shall any member or agent of the county children's bureau enter any home, family, school or institution without the consent and permission of the head of the home or family, or of the persons in charge of the school or institution[;] *except as ordered by the county judge.*

(4) [(6)] Assist the *State Child Welfare workers* [department] in the administrative performance of *their* [its] duties with reference to children, and perform such services *and make such reports with reference* thereto as they may request; [as may be requested by the department; and]

(5) Develop policies within the county with respect to the administration and scope of child welfare services;

(6) Recommend an annual budget and present monthly financial statements to the fiscal court; and

(7) Make an annual *public* report to the *fiscal court and the Department of Child Welfare* [department] and *setting forth* specific recommendations as to the needs of children in *the county* [their respective counties] *and the present status of children in care.*

[(3) Assist in enforcing the compulsory attendance law when requested by the county superintendent;]

[(4) Serve as probation or parole officers if appointed by the county judge;]

Section 4. Section 200.220 of the Kentucky Revised Statutes is amended to read as follows:

(1) The county children's bureau shall keep a full record *with reference to each child received into care to whom service has been extended or concerning whom an investigation has been conducted; but names of such persons shall not be published in any newspaper or in any way given publicity, but shall be kept confidential.* [of each applicant for, or recipient of, assistance under KRS 200.080 to 200.240, including the reports of investigations, correspondence and other pertinent information, together with the orders of the bureau in each case. The names of the beneficiaries or their mothers shall not be published in any newspaper or in any way given publicity.]

(2) A full record of the proceedings and transactions of the county bureau shall be kept [with the county archives] and shall be open for inspection at any time by the members of the fiscal court and by the *licensing representative of the State Child Welfare Department.* [department or any accredited representative thereof.]

Section 5. Upon the effective date of this Act the county judge in any county containing a children's bureau shall make appointments to the bureau under the terms and provisions of this Act.

Section 6. Sections 200.170, 200.190, 200.200, 200.210, 200.230 and 200.240 of the Kentucky Revised Statutes are repealed.

HB 552, AN ACT relating to funeral directors.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 316.090 of the Kentucky Revised Statutes is amended to read as follows:

An applicant for a funeral director's license shall be [twenty-one years of age,] a graduate of an accredited high school, and shall have served three consecutive years' apprenticeship under a licensed embalmer and licensed funeral director who have an established funeral home in Kentucky. He shall devote all of his working hours to this apprenticeship, being paid a regular monthly salary. He shall meet all the requirements of this chapter as it relates to the apprenticeship and registration and examination of an embalmer with the exception of the provisions in KRS 316.030 and KRS 316.040 which relate to the completion of a course of study of one year "in science and art of embalming, disinfection and sanitation in an accredited school of embalming recognized by the state board." The one year in embalming school will not be required for an applicant for funeral director's license. He shall serve three consecutive years' apprenticeship.

Section 2. Any person who is under the age of twenty-one years and who is a licensed and registered funeral director shall be considered in law as having attained his majority as regards any transactions he may have in his capacity as a funeral director.

HB 509, AN ACT relating to cities of the fifth and sixth classes.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. The Auditor of Public Accounts may upon the request of the governing body of a city of the fifth or sixth class, conduct an audit of the books and accounts of any officer of a city of the fifth or sixth class.

Section 2. No request to audit, addressed to the Auditor of Public Accounts, shall be granted, unless such request is given force and effect in the same manner as is provided for ordinances and resolutions in Chapters 87 and 88 of the Kentucky Revised Statutes as such chapters apply to fifth and sixth class cities respectively.

Section 3. The cost of the audit shall be borne by the city and within a reasonable time after the completion and distribution of the audit report authorized by Sections (1) and (2) of this Act, the Auditor of Public Accounts shall bill the city for the actual expenses incurred pursuant to Sections (1) and (2) of this Act.

HB 481, AN ACT relating to judicial administration.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

A new section of the Kentucky Revised Statutes is created to read as follows:

It shall be the duty of each circuit judge of this Commonwealth, or his duly authorized representative, to submit written reports to the Court of Appeals. The reports required by this section shall be on such forms and filed at such times as the Court of Appeals may by rule require, and shall contain a detailed and accurate statement of the number of days jury panels were used, and also a summary of the business of the court transacted with a jury.

Calendar

HB 328, HB 555, HB 554, HB 522, HB 444, HB 155, HB 251, HB 252, HB 253, HB 254, HB 362, HB 337, HB 394, HB 198, HB 332, HB 56, HB 441, HB 451, HR 83, HB 487, HB 488, HB 501, HB 544, HB 560, HB 266 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected.

Orders of the Day

SB 302 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Hehl moved the Previous Question on **SB 302.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Duffy, Duncan, Edwards, Fuqua, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 1—Logan.

SB 302 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 302** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 367 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 367.** Agreed.

On roll call, the vote was yeas 24—Bishop, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson, Howard, Kidwell, Kinkead, Kiser, McCann, Mann, Miller, Nichols, Palmer, Raney, Turner, Ware, White. Nays 6—Gardner, Johnson, Logan, Martin, Overbey, Swope.

SB 367 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 367** was passed be reconsidered and said motion be laid on the table. Agreed.

SB 327 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **SB 327.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Swope, Turner, Ware, White. Nays 4—Garrett, Kiser, Logan, Raney.

SB 327 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **SB 327** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 23 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 23.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Martin, Nichols, Overbey, Palmer, Swope, Turner, Ware, White. Nays 1—McGinty.

HB 23 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 23** was passed be reconsidered and said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 524.**

Orders of the Day

HB 497 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **HB 497.** Agreed.

On roll call, the vote was yeas 29—Bishop, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kinkead, Kiser, McCann, McGinty, Martin, Miller, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 8—Blue, Edwards, Garnett, Johnson, Kidwell, Logan, Mann, Swope.

HB 497 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **HB 497** was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Ware moved to take up **SB 326** for concurrence in the House Amendment. Agreed.

Senator Ware moved to concur in House Amendment #1 to **SB 326.** Agreed.

House Amendment #1 to **SB 326** is as follows:

Amend printed copy of Senate Bill 326, on page 21, lines 13 and 14, by:

deleting – 1962 – 1963 $78,380
1963 – 1964 78,380
and substituting therefor the following:
1962 – 1963 $30,000
1963 – 1964 30,000

Senator Ware moved the Previous Question on **SB 326,** as amended. Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Logan.

SB 326 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 326** was passed be reconsidered and said motion be laid on the table. Agreed.

Recess

Senator Ware moved that the Senate recess until 3:30 p.m. for the purpose of having a meeting of the Rules Committee. Agreed.

At the appointed hour, the President resumed the chair.

Orders of the Day

Senator Ware moved to take up **SB 219** for concurrence in the House Amendments. Agreed.

Senator Ware moved to concur in House Amendment #1 to **SB 219.** Agreed.

House Amendment #1 to **SB 219** is as follows:

Amend printed copy of Senate Bill 219 on page 2, line 16, by: deleting the following: ", including definitions of terms,"

Senator Ware moved to concur in House Amendment # 2 to **SB 219.** Agreed.

House Amendment #2 to **SB 219** is as follows:

Amend printed copy of Senate Bill 219 on page 7, lines 17, 20, 24, and 25, by:

deleting "$10,000" and inserting in lieu thereof "$25,000"
deleting "$50,000" and inserting in lieu thereof "$75,000"
deleting "$10,000" and inserting in lieu thereof "$25,000"
deleting "$50,000" and inserting in lieu thereof "$75,000"

Senator Ware moved to concur in House Amendment #3 to **SB 219.** Agreed.

House Amendment #3 to **SB 219** is as follows:

Amend printed copy of Senate Bill 219 on page 10, line 10, by: deleting the following: "shall not substitute its judgment for that of the board as to the weight of the evidence on questions of fact; but it"

Senator Ware moved the Previous Question on **SB 219,** as amended. Agreed.

On roll call, the vote was yeas 27—Blue, Bonn, Brand, Buckman, Cobb, Conley, Craft, Duffy, Edwards, Fuqua, Garnett, Garrett, Hehl, Hickerson, Howard, Kinkead, Kiser, McCann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 5—Duncan, Gardner, Logan, Mann, Swope.

SB 219 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 219**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

HB 230 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 230**. Agreed.

On roll call, the vote was yeas 21—Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, Miller, Palmer, Raney, Turner, Ware. Nays 11—Conley, Duncan, Gardner, Johnson, Kiser, Logan, McGinty, Mann, Martin, Overbey, Swope.

HB 230 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 230** was passed be reconsidered and said motion be laid on the table. Agreed.

House Message

Announcing passage of **HB 186, HB 531, HB 562, HB 572, HR 94, HR 95, HR 96, SB 217** (with amendment).

Report on Enrolled Bill

Committee on Enrollment reported that **SB 326** had been examined and found correctly enrolled. **SB 326** read at length, compared and signed in open session by the President. Ordered delivered to the House.

SB 326 delivered, signed by Speaker. Ordered delivered to the Governor.

House Message

Announcing passage of **SB 74, SB 75, SB 76, SB 77, SB 200, SB 211, SB 294**; Letter requesting the Senate to return **SB 324.**

SB 233 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **SB 233.** Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Garnett, Garrett, Hehl, Kidwell, Kinkead, Logan, McCann, Mann, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 6—Gardner, Howard, Johnson, Kiser, McGinty, White.

SB 233 was passed and the title agreed to.

Senator Ware moved that the vote by which **SB 233** was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Ware moved that the Rules be suspended for the purpose of having Committee Reports. Agreed.

Report of Committees

Rules Committee reported **HB 340, HB 524, HB 473, HB 504, HB 70, HB 126** (with amendments), **HB 200, HB 502** with the expression of opinion that the same should pass. Read at length for the first time and ordered placed in the Calendar.

HB 340, AN ACT relating to the compensation of county tax commissioners and their deputies.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 132.590 of the Kentucky Revised Statutes is amended to read as follows:

(1) The compensation of the county tax commissioner shall be computed on the basis of ten cents on each one hundred dollars of the first three million dollars and two cents on each one hundred dollars of the excess over three million dollars of the annual assessment. However, each county tax commissioner shall receive a minimum monthly payment of two hundred fifty dollars as part or all of his compensation. Should a county tax commissioner for any reason vacate the office in any year during his term of office, any fees accruing to the office as compensation for the county tax commissioner shall be prorated and the commissioner shall be paid only for the calendar days actually served during the year.

(2) In counties in which the assessed value of property exceeds *four* [eight] million dollars, the county tax commissioner's office shall be allowed by the state as compensation for deputies, other authorized personnel, and for other authorized expenditures, two cents on each one hundred dollars of the property assessed in excess of four million dollars; but the total sum allowed any county tax commissioner's office as compensation for deputies, other authorized personnel, and for other authorized expenditures, shall not exceed twenty thousand dollars in any county except in a county having a city of the first or second class, which shall be governed by KRS 132.630. Each county tax commissioner may appoint any persons approved by the Department of Revenue to assist him in the discharge of his duties. Each deputy must be more than twenty-one years of age and may be

removed at the pleasure of the county tax commissioner. The salaries of deputies and other authorized personnel shall be fixed by the county tax commissioner and shall be subject to the approval of the Department of Revenue. No deputy county tax commissioner employed, or promoted to a higher position, after June 30, *1962*, [1960] shall be approved for compensation from any funds derived from any taxing jurisdiction or jurisdictions in excess of *three thousand six hundred* [three thousand] dollars in any one calendar year, without having qualified by examination, said examination to be prepared and administered by the Department of Revenue in accordance with standards of the Department of Personnel, for the position to which he is being appointed or promoted. No state funds available to any county tax commissioner's office as compensation for deputies and other authorized personnel or for other authorized expenditures shall be paid without authorization of the Department of Revenue, prior to the employment by the tax commissioner of deputies or other authorized personnel or the incurring of other authorized expenditures.

(3) Each county fiscal court shall annually appropriate and pay each fiscal year to the office of the county tax commissioner for deputy and other personnel allowance, supplies, maps and equipment, travel allowance for the tax commissioner and his deputies and other authorized personnel, and other authorized expenses of the office, two hundred dollars for the first million dollars of assessment and one-half of one cent for each hundred dollars of assessment in excess of one million dollars; but the total sum to be paid by the fiscal court to any county tax commissioner's office shall not exceed twenty thousand dollars except in a county having a city of the first class, which shall be governed by KRS 132.630. This allowance shall be based on the assessment as of the previous January 1.

(4) Each county tax commissioner shall at the end of each month file a claim with the fiscal court for the salaries of his deputies, other personnel, and other expenses of his office incurred during the month which are reimbursable from county funds. The court shall order payment made provided the total of all claims filed with the court does not exceed the total sum available under this section. During county election years the county tax commissioner shall not be allowed to expend in excess of forty percent of the allowances available to his office from county funds during the first five months of the fiscal year in which the general election is held.

(5) The county tax commissioner shall not receive for his personal services, incident to any assessment, more than seven thousand two hundred dollars in any calendar year. However, the maximum compensation for any county tax commissioner shall not exceed the highest compensation, including salary and fees, approved by the fiscal court for any county official.

HB 524, AN ACT relating to revenue and taxation.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 138.210 of the Kentucky Revised Statutes is amended to read as follows:

As used in KRS 138.220 to 138.340, unless the context requires otherwise:

(1) *"Accountable loss" of gasoline means loss or destruction of "received" gasoline, through wrecking of transportation conveyance, explosion, fire, flood, or other casualty loss, or "received" gasoline contaminated and returned to storage; provided that any such loss shall have been reported within ten days after discovery of such loss to the department in a manner and form prescribed by the department, supported by proper evidence which in the sole judgment of the department substantiates the alleged loss or contamination and which is confirmed in writing to the reporting dealer by the department. The department may make any investigation deemed necessary to establish the bona fide claim of the loss.*

[(1) "Accountable loss" of gasoline means loss or destruction of "received" gasoline, through wrecking of transportation conveyance, explosion, or fire, that has been reported to the Department of Revenue in a manner and form prescribed by the department, supported by positive and conclusive evidence, in the judgment of the department, of the alleged loss, and confirmed in writing to the reporting dealer by the department, after any investigation deemed necessary by the department to establish the bona fide claim of the loss.]

(2) "Dealer" means any person who:

(a) Imports into this state and stores, or causes to be imported into and stored in this state, gasoline for use, distribution, or sale and delivery in this state after it has been stored in this state; provided that the term "dealer", as used herein, shall not include any person who imports gasoline acquired from a refiner or other supplier who, at the time of such importation, is a duly licensed dealer in this state, except as may otherwise be provided under regulations of the department.

(b) Receives or accepts delivery of gasoline within this state into bulk storage facilities owned or operated for the storage of gasoline for trans-shipment within or without this state.

(c) Refines, produces, distills, manufactures, blends or compounds gasoline in this state.

(d) Receives or accepts delivery within this state of gasoline for resale within this state in amounts of not less than an average of 100,000 gallons per month during any prior consecutive twelve months' period, when in the opinion of the department, such person has

sufficient financial rating and reputation to justify the conclusion that he will pay all taxes and comply with all other obligations imposed upon a dealer.

[(2) "Dealer" means any person who imports or causes to be imported into this state gasoline for storage, use, distribution, or sale and delivery in this state and after it has reached this state; also any person who produces, refines, manufactures, compounds or stores gasoline in this state for use, distribution or sale and delivery in this state; also any person who receives gasoline by tank car, barge or pipeline delivery from any point within this state upon which gasoline the excise tax levied by KRS 138.220 has not been paid; also any person importing or causing to be imported into this state gasoline in the fuel tank or any auxiliary tank of his motor vehicle in a quantity in excess of thirty gallons.]

(3) "Department" means the Department of Revenue.

(4) "Gasoline" means all liquid fuels, including liquids ordinarily, practically and commercially usable in internal combustion engines for the generation of power, and all distillates of and condensates from petroleum, natural gas, coal, coal tar, vegetable ferments and all other products so usable except propane, butane or other liquefied petroleum gases, kerosene, cleaner solvent, fuel oil, diesel fuel and crude oil.

(5) "Received" or "received gasoline" shall have the following meanings:

(a) Gasoline produced, manufactured or compounded at any refinery in this state or gasoline acquired by any dealer and delivered into or stored in refinery, marine or pipeline terminal storage facilities in this state shall be deemed to be received when it has been loaded for bulk delivery into tank cars or tank trucks consigned to destinations within this state.

For the purpose of the proper administration of this chapter and to prevent the evasion of the tax and to enforce the duty of the dealer to collect the tax, it shall be presumed that all gasoline loaded by any licensed dealer within this state into tank cars or tank trucks is consigned to destinations within this state unless the contrary is established by the dealer pursuant to rules and regulations prescribed by the department.

(b) Gasoline acquired by any dealer in this state, and not delivered into refinery, marine or pipeline terminal storage facilities, shall be deemed to be received when it has been placed into storage tanks or other containers for use or subject to withdrawal for use, delivery, sale or other distribution.

Dealers may sell gasoline to licensed bonded dealers in this state in transport truckload, carload or cargo lots, withdrawing such gasoline from refinery, marine, pipeline terminal or bulk storage tanks, *without paying the tax on such gasoline. In such instances the licensed bonded dealer purchasing such gasoline shall be deemed to have received such gasoline at the time of withdrawal from the sellers storage facility and shall be responsible to the state for the payment of the tax thereon and shall report and pay the tax on such gasoline purchased and received.*

[(5) "Received", as applied to gasoline, means when it has been imported into this state by any person for use, distribution, or delivery and sale and when it has been placed in tanks or other containers for use or subject to withdrawal for use, distribution or sale and delivery. Gasoline produced, refined, manufactured or compounded at any refinery in this state by any person shall be deemed to be received by such person when it has been loaded into tank cars for delivery within this state or placed in any tank from which sales or deliveries are made at the refinery where it is produced, refined, manufactured or compounded. Gasoline imported by any person into this state and received through delivery by boat at a marine terminal for storage, or delivered by pipeline at a pipeline terminal for storage, shall be deemed to be received when it has been loaded into tank cars for delivery within this state or placed in any tank from which sales and deliveries are made at such marine or pipeline terminals. Dealers may sell gasoline to licensed bonded dealers in this state in transport truckload, carload or cargo lots, withdrawing such gasoline from refinery, marine or pipeline terminal storage tanks, without paying the tax on such gasoline. In such instances the licensed bonded dealer purchasing such gasoline shall be deemed to have received such gasoline, and shall assume responsibility to the state for the payment of the tax thereon and shall report and pay the tax on such gasoline purchased and received.]

(6) "Refinery" means any place where gasoline is refined, manufactured, compounded or otherwise prepared for use.

(7) "Storage" means all gasoline produced, refined, distilled, manufactured, blended or compounded and stored at a refinery storage or delivered by boat at a marine terminal for storage or delivered by pipeline at a pipeline terminal, delivery station or tank farm for storage.

(8) "Transporter" means any person who transports gasoline on which the tax has not been paid or assumed.

(9) *"Bulk Storage facility" means gasoline storage facilities of not less than twenty thousand gallons owned or operated at one location by a single owner or operator for the purpose of storing gasoline for resale or delivery to retail outlets or consumers.*

Section 2. Section 138.290 of the Kentucky Revised Statutes is amended to read as follows:

(1) If any dealer neglects or refuses to make the return required by KRS 138.240 or to pay the tax at the time provided, a penalty of twenty percent thereof and interest at six percent per annum from the date when due shall be paid as a part of the tax. If collected by proceedings in court an additional penalty of twenty percent shall be collected and distributed as is authorized by KRS 134.400 and 135.060.

(2) If any taxpayer subject to the penalty provided in subsection (1) of this section submits in writing to the department his reasons for failure to comply with KRS 138.240, and if the department finds the reasons evidence of justifiable cause for modifying the penalty provided in subsection (1) of this section, it may modify the penalty exacted therein to five percent of the amount of the tax due and delinquent, *provided that the department may reduce or waive the penalty when in the sole discretion of the department the exaction of the penalties provided above would be inequitable or unjust.* [provided the five percent penalty may be reduced to a one percent penalty if the violation is the first violation by the taxpayer within twelve months.]

(3) Any dealer or transporter who fails to make any report or return required under KRS 138.240 or KRS 138.260 within the time required shall pay a penalty of ten dollars to be assessed and collected in the manner provided for the assessment and collection of taxes under KRS 138.210 to KRS 138.340 inclusive or in a civil action, at the instance of the department. In addition such delinquent may be compelled to make the required report or return.

Section 3. Section 138.330 of the Kentucky Revised Statutes is amended to read as follows:

(1) Every dealer or transporter required to be licensed under KRS 138.310 shall file with the Department of Revenue a bond, *issued by a corporation authorized to do surety business in Kentucky, in an amount not to exceed three months' estimated liability as computed by the department or five thousand dollars whichever is greater, or in the case of a new licensee in the minimum amount of five thousand dollars until such time as an estimated three months' liability can be established, provided that the maximum amount of any such bond may be reduced to an amount sufficient in the opinion of the department,* [in the minimum amount of five thousand dollars, and up to a maximum amount sufficient in the opinion of the department,] considering the financial rating and reputation of the company, to insure payment to the department of the amount of tax, penalties and interest for which the dealer or transporter may become liable. The bond shall be on a form and with a surety approved by the department. The dealer or transporter shall be the principal obligor and the state the obligee. The bond shall be conditioned upon the prompt filing of true

reports by the dealer and transporter and the payment by the dealer to the State Treasurer of all gasoline excise taxes now or hereafter imposed by the state, together with all penalties and interest thereon, and generally upon faithful compliance with the provisions of KRS 138.210 to 138.340.

(2) If liability upon the bond is discharged or reduced, whether by judgment rendered, payment made or otherwise, or if in the opinion of the department any surety on the bond has become unsatisfactory or unacceptable, the department may require the licensee to file a new bond with satisfactory sureties in the same amount, failing which the department shall forthwith cancel the license of such licensee. If a new bond is furnished as provided above, the department shall cancel and surrender the bond for which the new bond is substituted.

(3) If upon hearing, of which the licensee shall be given five days' notice in writing, the department decides that the amount of the existing bond is insufficient to insure payment to the state of the amount of tax, penalties and interest for which the licensee is or may become liable, said licensee shall forthwith, upon the written demand of the department, file an additional bond in the same manner and form with a surety thereon approved by the department, in any amount determined by the department to be necessary, failing which the department shall forthwith cancel the license of the licensee.

(4) Any surety on a bond furnished as required by this section shall be released from all liability to the state accruing on such bond after the expiration of sixty days from the date upon which the surety has lodged with the department a written request to be released, but this request shall not operate to release the surety from any liability already accrued or which shall accrue before the expiration of the sixty-day period. The department shall promptly, upon receipt of such request, notify the licensee who furnished the bond, and unless said licensee, before the expiration of the sixty-day period, files with the department a new bond with a surety satisfactory to the department in the amount and form hereinabove provided, the department shall forthwith cancel the license of the licensee. If approved new bond is furnished the department shall cancel and surrender the bond for which the new bond is substituted.

Section 4. Section 138.340 of the Kentucky Revised Statutes is amended to read as follows:

(1) If any dealer or transporter required to be licensed under KRS 138.310 files a false monthly report of the data or information required by KRS 138.220 to 138.280, or fails, refuses or neglects to file the monthly report required by those sections, even though no tax is due, or to pay the full amount of tax as required by those sections, *or fails to meet the qualifications of a dealer as set out in KRS*

138.210 (2), or violates any other provision of this chapter, said dealer or transporter may be cited by the Department of Revenue to show cause at a public hearing before the Kentucky Tax Commission why his license should not be revoked by the commission. Such licensee shall be notified by registered letter or summons. The letter or summons shall appraise the licensee of the charge or charges made against him and he shall have a reasonable opportunity to be heard before his license may be revoked. The summons may be served in the same manner and by the same officers or persons as provided by the Kentucky Civil Code of Practice, or it may be served in said manner by an employe of the Department of Revenue. The hearing shall be set at least five days after the summons is served or the letter delivered. Any aggrieved licensee may appeal from an order of the Kentucky Tax Commission in the manner provided for appeals from other of its rulings subject to the condition that the licensee has made bond sufficient in the opinion of the Department of Revenue to protect the Commonwealth from loss of revenue.

(2) The department is hereby given the power to cancel the license upon request in writing from licensee such cancellation to become effective sixty days from the date of receipt of the request. But no license shall be cancelled upon the request of any licensee until and unless said licensee, prior to the date of such cancellation, pays to the state all excise taxes payable under the laws of the state together with any and all penalties and fines accruing by reason of any failure on the part of such licensee to make accurate reports as required or pay such taxes and penalties.

Section 5. Section 138.560 of the Kentucky Revised Statutes is amended to read as follows:

(1) "Department" means the Department of Revenue;

(2) "Person" includes every natural person, fiduciary, association, state or political subdivision, or corporation. Whenever used in any clause prescribing and imposing imprisonment the term "person" as applied to an association means and includes the partners or members thereof, and as applied to corporations, the officers thereof;

(3) [Taxable] "Special fuels" means and includes all combustible gases and liquids *capable of being* used for the generation of power in an internal combustion engine to propel vehicles of any kind upon the public highays, except that it does not include gasoline as defined in KRS 138.210, and liquefied petroleum gas as defined in KRS 234.100;

(4) "Motor vehicle" means any vehicle, machine or mechanical contrivance propelled by an internal combustion engine and licensed for operation and operated upon the public highways and any trailer or semi-trailer attached to or having its front end supported by such motor vehicle;

(5) "Public highways" means every way or place generally open to the use of the public as a matter of right for the purpose of vehicular travel, notwithstanding that they may be temporarily closed or travel thereon restricted for the purpose of construction, maintenance, repair, or reconstruction;

(6) "Special fuels dealer" means [any person who imports or causes to be imported into this state for resale or use, or any person making sales in this state, of special fuels for resale or use in this state by a licensed special fuels user-seller] *any person who delivers special fuels into tanks or other containers equipped with a hose or other apparatus by which such fuel can be dispensed therefrom into the fuel tank of a motor vehicle.*

[(7) "Special fuels user-seller" means any person, not licensed as a special fuels dealer, who dispenses special fuels into the fuel tanks of, or attached to, motor vehicles for the propulsion of such motor vehicles on the public highways, and shall include any such person who so dispenses special fuels for consumption in such motor vehicles owned, leased, or operated by him.]

Section 6. Section 138.565 of the Kentucky Revised Statutes is amended to read as follows:

(1) *An excise tax of seven cents per gallon is hereby levied and shall be paid by the special fuels dealer to the department:*

(a) *For all special fuels delivered into any tank or other container equipped with a hose or other apparatus by which such fuel can be dispensed therefrom into the fuel tank of a motor vehicle and all special fuels delivered to any person engaged in the business of selling special fuels for use in motor vehicles except when such deliveries are made to another licensed special fuels dealer.*

The tax imposed by this section shall not apply to special fuels delivered into storage facilities of consumers or persons engaged in the business of selling special fuels for use in motor vehicles when such special fuels are to be sold or used for non-highway purposes and provided that the storage facilities for such special fuels have been approved and identified as non-taxable storage pursuant to regulations of the department, provided that the department may not refuse to approve such nontaxable storage except for adequate cause.

(b) For all special fuels withdrawn by any licensed special fuels dealer to propel any motor vehicle on the public highways, either within or without this state, except a special fuels dealer engaged in the business of transporting persons for hire who shall pay said tax with respect to special fuels actually used in this state.

An allowance of one percent of the tax shall be made to the special fuels dealer to cover unaccountable losses, bad debts, and handling and reporting the tax.

For the purpose of the proper administration of this chapter and to prevent the evasion of the tax and to enforce the duty of the special fuels dealer to collect the tax, it shall be presumed that all special fuels delivered by any special fuels dealer within this state are taxable unless the contrary is established by the special fuels dealer pursuant to regulations prescribed by the department.

[(1) An excise tax of seven cents per gallon is hereby levied and shall be paid by the special fuels dealer to the department on all taxable special fuels delivered to the licensed special fuels user-seller, or withdrawn by the special fuels dealer to propel any motor vehicles on the public highways either within or without this state, except a special fuels dealer engaged in the business of transporting persons for hire who shall pay said tax with respect to special fuels actually used in this state. An allowance of one percent of the tax shall be made to the special fuels dealer to cover unaccountable losses, bad debts, and handling and reporting the tax.]

(2) Two-sevenths of all amounts received by reason of the tax paid under subsection (1) shall be set aside by the Department of Highways for the construction, reconstruction, and maintenance of rural and secondary roads and for no other purpose.

(3) No other excise or license tax shall be levied or assessed on special fuels by any political subdivision of the state.

Section 7. Section 138.595 of the Kentucky Revised Statutes is repealed.

Section 8. Section 138.630 of the Kentucky Revised Statutes is amended to read as follows:

With respect to KRS 138.560 to 138.640, it is unlawful for any person to:

(1) Fail to pay the taxes due;

(2) Fail, neglect or refuse to make and file any statement required in the manner or within the time required;

(3) Make any false statement or conceal any material fact in any record, report or affidavit;

(4) Conduct any activities requiring a license without a license or after a license has been surrendered, cancelled or revoked;

(5) Assign or attempt to assign a license to act as a special fuels dealer;

(6) *Deliver special fuels from a tank truck into the motor fuel tank of a motor vehicle; or*

(7) Violate any other provisions.

[(6) Deliver taxable special fuels to any person not licensed as a special fuels user-seller or special fuels dealer except it shall not be an unlawful act to deliver non-taxable special fuels into tax-free storage to such licensees or other persons providing delivery is made into separate storage facilities identified as non-taxable in accordance with regulations issued by the department;]

[(7) Maintain storage facilities for taxable special fuels and dispense taxable special fuels therefrom into any fuel tank attached to a motor vehicle unless such person is the holder of a special fuels user-seller license; or]

[(8) Violate any other provisions.]

Section 9. A new section of the Kentucky Revised Statutes is created to read as follows:

Any gasoline dealer or special fuels dealer having a license revoked for the violation of any of the provisions contained in KRS 138.340 or KRS 138.580 may within the discretion of the department be denied the issuance of a gasoline dealer or special fuels dealer license, and any such licensee shall not have an interest in any such license either disclosed or undisclosed whether as an individual, partnership, corporation or otherwise.

Section 10. Section 138.662 of the Kentucky Revised Statutes is amended to read as follows:

(1) City and suburban bus companies operating under a certificate of convenience and necessity issued pursuant to KRS Chapter 281 shall be entitled to a refund of *five-sevenths* [two-sevenths] of the amount of KRS Chapter 138 taxes paid on motor fuels used in their regularly scheduled operations in Kentucky.

(2) No person shall be entitled to a refund hereunder unless he shall have first filed with the Department of Revenue a bond *issued by a surety company authorized to do business in Kentucky* [with approved surety] in an amount of not less than one thousand dollars nor more than five thousand dollars to be determined by the Department of Revenue, conditioned upon faithful compliance with this section and upon the payment to the Commonwealth of any refunds to which he was not entitled.

(3) Applications for refund shall on or before the last day of each month following the quarter, September 30, December 31, March 31, and June 30, be made to the Department of Revenue on forms and in the manner prescribed by it for the refund of tax paid on motor fuel used by buses during the quarter. Each application for a refund shall show the number of gallons of motor fuel purchased during the quarter for use in buses; the date and quantity of each purchase; the vendor from which such fuel was purchased; the number of gallons on which refund is claimed; and such other information as the Department of Revenue may require. The application shall be made under oath.

(4) The Department of Revenue shall audit the application and make such other investigation as it deems necessary to determine whether it constitutes a proper claim. When the Department of Revenue is satisfied that a refund is proper it shall authorize *five-sevenths* [two-sevenths] of the amount of the tax paid to be refunded as other refunds are made and the amount refunded shall be deducted from current motor fuel tax receipts.

(5) When the Department of Revenue finds that an application for a refund contains a false or fraudulent statement or that a refund has been fraudulently obtained, the Department of Revenue shall refuse to grant any refunds to the person making such false or fraudulent statement or fraudulently obtaining a refund for a period of two years from the date of such findings.

(6) The Department of Revenue may prescribe, adopt and enforce regulations relating to the administration and enforcement thereof.

(7) The refund provided herein shall be effective on motor fuel purchased July 1, *1962* [1960] and thereafter.

Section 11. The provisions of this Act shall become effective July 1, 1962.

HB 473, AN ACT relating to education.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 161.605 of the Kentucky Revised Statutes is amended to read as follows:

Retired teachers may do substitute teaching in the public schools of Kentucky for a period not to exceed *ninety* [sixty] days in any one school year, and receive compensation for same without reduction in retirement annuities.

HB 504, AN ACT relating to real estate brokers and salesmen.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 324.045 of the Kentucky Revised Statutes is amended to read as follows:

(1) Licenses shall be granted only to persons who are trustworthy and competent to transact the business of a real estate broker or salesman in such manner as to safeguard the interests of the public, and only after satisfactory proof of such qualifications has been presented to the commission.

(2) In addition to the proof of honesty, truthfulness and good reputation of any applicant for a license, each applicant must pass

a written examination conducted by said commission, or its authorized representative, which examination shall be of scope and wording sufficient in the judgment of the commission to establish the competency and trustworthiness of the applicant to act as a real estate broker or salesman in such manner as to protect the interests of the public. Provided, however, no examination shall be required for the renewal of any present or future license unless such license has been revoked, suspended or is allowed to expire without renewal. The commission shall hold examinations at such times and places as it may determine, and an examination fee of twenty-five dollars shall be collected from each applicant to defray the expenses of holding such examinations.

[(3) The provisions of subsection (2) requiring applicants to pass a written examination to obtain license shall not apply to real estate brokers or salesmen furnishing satisfactory proof to the commission that they were engaged in the business or occupation of a real estate broker or salesman on January 1, 1956, within the Commonwealth of Kentucky, provided, however, that such real estate brokers and salesmen shall, on or before July 1, 1956, make application to the Kentucky Real Estate Commission for a real estate broker or salesman's license in accordance with provisions of KRS 324.040 and provided further that each application shall be accompanied by a bond and license fee in accordance with the requirements of KRS 324.060 and 324.070.]

(3) [(4)] Every applicant for a broker's or salesman's license shall be at least twenty-one years of age, and shall have graduated from high school or in the discretion of the commission, shall produce proof of an education equivalent to that of a high school graduate [.], *and shall have been a bona fide resident of Kentucky for at least one year immediately prior to the taking of examination for broker's or salesman's license.*

(4) In addition to the other requirements, every applicant for a broker's license shall have served at least one year as a real estate salesman prior to the date of the taking of the examination.

Section 2. Section 324.070 of the Kentucky Revised Statutes is amended to read as follows:

The original fee for each real estate broker's license shall be ten dollars and the annual renewal fee shall be ten dollars. The original fee for each real estate salesman's license shall be ten dollars and the annual renewal fee shall be five dollars. [Provided that when a copartnership, association or corporation shall have paid an original fee of ten dollars or a renewal fee of ten dollars and shall have designated one of its members or officer as provided in KRS 324.110, the fees payable by any other member or officer actively engaged in the real estate business of such copartnership, association, or corporation shall be ten dollars for the first registration fee and five dollars for renewal fee, for which a salesman's license shall be issued, but any such member or officer shall be entitled to a brokers license upon the payment of the usual fee therefor.]

Section 3. Section 324.110 of the Kentucky Revised Statutes is hereby repealed.

HB 70, AN ACT relating to witnesses.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 421.210 of the Kentucky Revised Statutes is amended to read as follows:

(1) In all actions between husband and wife, or between either or both of them and another, either or both of them may testify as other witnesses, except as to confidential communications between them during marriage, *provided that neither may be compelled to testify for or against the other;* and provided, further, that in an action for absolute divorce or divorce from bed and board either or both of them may *be compelled to* testify concerning any matter involved in the action, including questions of property. [, and provided further, that neither may be compelled to testify for or against the other.]

(2) Subject to the provisions of subsection (7) of this section, no person shall testify for himself concerning any verbal statement of, or any transaction with, or any act done or omitted to be done by an infant under fourteen years of age, or by one who is of unsound mind or dead when the testimony is offered to be given except for the purpose, and to the extent, of affecting one who is living, and who, when over fourteen years of age and of sound mind, heard such statement, or was present when such transaction took place, or when such act was done or omitted, and except in actions for personal injury, death or damage to property by negligence or tortious acts, unless:

(a) The infant or his guardian shall have testified against such person, with reference to such statement, transaction or act; or

(b) The person of unsound mind shall, when of sound mind, have testified against such person, with reference thereto; or

(c) The decedent, or a representative of, or someone interested in, his estate, shall have testified against such person, with reference thereto; or

(d) An agent of the decedent or person of unsound mind, with reference to such act or transaction, shall have testified against such person, with reference thereto, to be living when such person offers to testify, with reference thereto.

(3) No person shall testify for himself, in chief, in an ordinary action, after introducing other testimony for himself, in chief; nor in an equitable action, after taking other testimony for himself, in chief.

(4) No attorney shall testify concerning a communication made to him, in his professional character, by his client, or his advice thereon, without the client's consent; nor shall a clergyman or priest testify concerning any confession made to him, in his professional character, in the course of discipline enjoined by the church to which he belongs, without the consent of the person confessing.

(5) If the right of a person to testify for himself be founded upon the fact that one who is dead or of unsound mind has testified against him, the testimony of such person shall be confined to the facts or transactions to which the adverse testimony related.

(6) A person may testify for himself as to the correctness or original entries made by him against persons who are under no disability—other than infancy—in an accounting, according to the usual course of business though the person against whom they were made may have died or have become of unsound mind; but no person shall testify for himself concerning entries in a book, or the contents or purport of any writing, under the control of himself, or of himself and others jointly, if he refuse or fail to produce such book or writing, and to make it subject to the order of the court for the purposes of the action, if required to do so by the party against whom he offers to testify.

(7) The assignment of a claim by a person who is incompetent to testify for himself shall not make him competent to testify for another.

(8) A party may be examined as if under cross-examination at the instance of the adverse party, either orally or by deposition as any other witness; but the party called for such examination shall not be concluded thereby, but may rebut it by counter testimony.

(9) None of the proceeding provisions of this section apply to affidavits for provisional remedies, or to affidavits of claimants against the estates of deceased or insolvent persons, or affect the competency of attesting witnesses of instruments which are required by law to be attested.

HB 126, AN ACT relating to the Speaker of the House of Representatives.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Between sessions of the General Assembly an office shall be maintained in the State Capitol Building for the use and benefit of the Speaker of the House of Representatives. Except when the General Assembly is in session the Speaker of the House of Representatives shall receive twenty-five dollars per day for each day he is engaged in the duties of his office and shall be reimbursed for necessary traveling expenses.

Section 2. To carry out the purposes of this Act, there is appropriated to the Legislative Research Commission out of the General Expenditure Fund in the State Treasury the sum of ten thousand nine hundred dollars for the 1962-63 fiscal year, and the sum of nine thousand nine hundred and seventy-five dollars for the 1963-64 fiscal year.

Amend printed copy of House Bill No. 126 on page 1, lines 9 and 10, by: amending lines 9 and 10 to read as follows: "Allocated to the Legislative Research Commission out of funds appropriated under House Bill 40 enacted at the 1962 Regular Session the sum of ten."

HB 200, AN ACT relating to county law libraries.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 172.180 of the Kentucky Revised Statutes is amended to read as follows:

Any county containing a city of the second, third, [or] fourth, *fifth or sixth* class may adopt the following method of financing the cost of operation and maintenance of the county law library, in lieu of the method set out in KRS 172.130 or KRS 172.170:

(1) Upon petition of three-fourths of the duly licensed and practicing attorneys resident in the county addressed to the circuit judge of the county, to the effect that they, as officers of the various courts of the county, recognize the need of a more adequate county law library, there being attached to said petition an attested copy of a resolution of the fiscal court of the county endorsing the adoption of this optional method of financing the cost of operation and maintenance of the county law library, the circuit judge shall enter an order upon the official order book of the circuit court of the county noting that said optional plan for the financing of the cost of operation and maintenance of the county law library has been adopted.

(2) The order shall set forth the name of each duly licensed and practicing attorney signing said petition, and the county court order book and page number containing the resolution of the fiscal court.

(3) The order shall direct the following:

(a) That the clerk of the circuit court shall forthwith cause to be delivered to the clerk of every court in the county, including quarterly, county, justice's, and city or police courts, a certified copy of the order;

(b) That upon receipt of the order by the clerks of said courts there shall be taxed as costs in all actions, except examining trials and felony trials, thereafter instituted in said courts the following fee, which shall be designated as county law library fee: in quarterly, county, justice's, and city or police courts, a sum not to exceed fifty cents; in circuit courts, on all civil actions a sum not to exceed one dollar; and on all misdemeanor trials, a sum not to exceed fifty cents; and

(c) That the clerks of the various courts shall at the end of each month, pay all sums collected as county law library fee in their respective courts, during the preceding month, to the trustees of the county law library, and the clerks shall make a full report with said payment, and receive a receipt for all payments.

HB 502, AN ACT relating to publication of ordinances in cities of the fourth and fifth class.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. Section 86.090 of the Kentucky Revised Statutes is amended to read as follows:

(1) No ordinance for the assessment of any tax or for the establishment of any license shall be valid unless the yeas and nays are recorded in the journal of proceedings. Any member of the city council may demand that the yeas and nays on any vote be so recorded.

(2) The mayor may approve or veto any ordinance or resolution, and may veto any separate item of an ordinance appropriating money. Any ordinance, resolution, or item of an appropriation ordinance vetoed by the mayor may be passed over the veto by a vote of two-thirds of the members of the city council.

(3) If the mayor fails to sign any ordinance or resolution, or to return it to the city clerk with his written objections, within ten days after its passage, the ordinance or resolution shall take effect without his signature.

(4) Immediately after the adjournment of each meeting of the council, the clerk of the council shall have every ordinance passed at the meeting, except ordinances enacted under KRS 80.280, published at least once [in some newspaper published in the city, or by handbills.] *in a newspaper, as required by KRS Chapter 424. Ordinances may be published in abstract form giving sufficient information to constitute a description of the subject matter to which such ordinance relates.* The publication directed by this subsection shall be made before the ordinance is enforced. The clerk shall preserve a copy of each published ordinance.

Section 2. Section 87.050 of the Kentucky Revised Statutes is amended to read as follows:

(1) No ordinance or resolution, granting a franchise for any purpose shall be passed by the city council on the day of its introduction, nor within five days thereafter, nor at any other than a regular meeting. No resolution or order for the payment of money shall be passed at any other time than a regular meeting. No ordinance, resolu-

tion or order shall have any validity or effect unless passed by the votes of at least three members of the city council.

(2) The enacting clause of all ordinances shall be as follows: "The city council of the city of ______________________does ordain as follows."

(3) Every ordinance shall be signed by the mayor, attested by the clerk, and published at least once [in the newspaper having the largest circulation which is published in the city, or if no newspaper is published in the city, posted in at least three public places in the city,] *as required by KRS Chapter 424,* and shall be in force from and after the publication [or posting]. *Ordinances may be published in abstract form giving sufficient information to constitute a description of the subject matter to which such ordinance relates.*

Amend printed copy of House Bill 502 on page 3, by: following line 9 by adding a new section as follows:

Section 3. Section 88.060 of the Kentucky Revised Statutes is amended to read as follows:

(1) No ordinance or resolution granting any franchise shall be passed by the board of trustees within five days after its introduction, nor at any other than a regular meeting. No resolution or order for the payment of money shall be passed at any other than a regular meeting. Except as provided in KRS 95.810, no ordinance incurring a liability, or requiring an appropriation exceeding fifty dollars for any one object or purpose, shall be valid unless it is voted for by four members of the board and the yeas and nays are entered upon the journal.

(2) The enacting clause of all ordinances shall be as follows: "The board of trustees of the city of ________does ordain as follows."

(3) Every ordinance shall be signed by the chairman, attested by the clerk and published at least once [in a newspaper published in the city, or posted in at least three public places therein] *as required by KRS Chapter 424,* and shall be in force from and after the publication [or posting]. *Ordinances may be published in abstract form giving sufficient information to constitute a description of the subject matter to which such ordinance relates.*

Committee on State Government Operations reported **SR 8** without expression of opinion.

Committee on State Government Operations reported **SR 10**, with expense account of the Committee attached thereto, with the expression of opinion that the expenses should be paid.

Report of Committee is as follows:

REPORT OF COMMITTEE
IN SENATE
REGULAR SESSION, 1962

Senate Resolution 10

The Committee on State Government Operations reports the following expenses of the committee:

Mrs. Lucy Rodman, stenographic services	$3,319.92
George Catlett, attorney fees and expenses	2,250.00
Mrs. Harold Coleman, witness fee $1.00 travel expense—400 miles @ 8c	33.00
W. E. Venters, witness fee $1.00 travel expense—400 miles @ 8c	33.00
Leonard Keeler, Inc., polygraph examination	389.14
Total	$6,025.06

The committee reports that the above expenses should be paid.

Richard L. Garnett,
Chairman, Joint Committee on
State Government Operations
March 14, 1962

Senator Garnett moved that the evidence taken and the exhibits be filed with the Clerk of the Senate to be retained by the Legislative Research Commission pursuant to Chapter 7 of the Kentucky Revised Statutes, Section 7.100. Agreed.

House Message

Announcing passage of **SB 61, SB 125, SB 284, SB 287, SB 299, SB 310, SB 313, SB 288, SB 347, SR 48, SB 193** (with amendments).

Orders of the Day

Senator Ware moved to take up **SB 193** for concurrence in House Amendment #1. Agreed.

Senator Ware moved to concur in House Amendment #1 to **SB 193.** Agreed.

House Amendment #1 to **SB 193** is as follows:

Amend Senate Bill 193, on page 1, by: inserting immediately preceding the enacting clause, the following: "WHEREAS, cities of the first class presently have power under KRS 83.010 and 83.011 to forbid racial and religious discrimination in places of public accommodations; and

WHEREAS, doubt has been raised concerning the power of cities other than those of the first class to enact ordinances forbidding racial and religious discrimination in places of public accommodation, and

WHEREAS, additional legislation is required to clarify existing law;" and on page 2, line 22 by inserting the following:

Section 5. Nothing contained in Section 3 shall limit the power of cities to provide penal sanctions for violation of ordinances forbidding discrimination on the basis of race, creed, religion or ethnic origin, in places of public accommodation.

On roll call, the vote was yeas 24—Bishop, Bonn, Brand, Buckman, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Howard, Johnson, Kinkead, Logan, McCann, McGinty, Mann, Miller, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Overbey.

SB 193 was passed and the title agreed to.

Senator Hehl moved that the Rules be suspended for the purpose of making a motion. Agreed.

Motion

Senator Hehl moved to concur in a request of the House to return **SB 324.** Unanimously agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 9, HB 55, HB 219, HB 239, HB 282, HB 361, HB 356, HB 479, HB 480, SR 17, SB 25, SB 17, SB 31, SB 47, SB 54, SB 66, SB 71, SB 85, SB 97, SB 118, SB 119, SB 155, SB 163, SB 166, SB 188, SB 216, SB 225, SB 232, SB 237, SB 145, SB 249, SB 263, SB 266, SB 267, SB 280, SB 303, SB 312, SB 325, SB 115, SB 323, SB 275, SB 218, SB 308, SB 342, SB 256** had been examined and found correctly enrolled. **HB 9, HB 55, HB 219, HB 239, HB 282, HB 361, HB 356, HB 479, HB 480, SR 17, SB 25, SB 17, SB 31, SB 47, SB 54, SB 66, SB 71, SB 85, SB 97, SB 118, SB 119, SB 155, SB 163, SB 166, SB 188, SB 216, SB 225, SB 232, SB 237, SB 145, SB 249, SB 263, SB 266, SB 267, SB 280, SB 303, SB 312, SB 325, SB 115, SB 323, SB 275, SB 218, SB 308, SB 342, SB 256** read at length, compared and signed in open session by the President. Ordered delivered to the House.

SR 17, SB 25, SB 17, SB 31, SB 47, SB 54, SB 66, SB 71, SB 85, SB 97, SB 118, SB 119, SB 155, SB 163, SB 166, SB 188, SB 216, SB 225, SB 232, SB 237, SB 145, SB 249, SB 263, SB 266, SB 267, SB 280, SB 303, SB 312, SB 325, SB 115, SB 323, SB 275, SB 218, SB 308, SB 342, SB 256 delivered, signed by Speaker. Ordered delivered to the Governor.

Orders of the Day

SB 194, SB 366, SB 234, SB 298 taken from Orders of the Day. Senator Ware moved that said bills be recommitted to the Committee on Rules. Agreed.

Senator Ware moved the Senate to adjourn until 11 a.m., Thursday, March 15. Agreed.

THURSDAY, MARCH 15, 1962

FIFTY-NINTH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James Shepherd, Pastor of the First Methodist Church of Frankfort.

The roll was called. All present except Senator Derickson, who was granted leave of absence on motion of Senator Ware.

Reading of Journal for March 14 dispensed with and the same approved on motion of Senator Ware.

Motions, Petitions, and Communications

Senator Ware moved that the Rules be suspended, to dispense with the regular order of business and take up the Calendar. Agreed.

Calendar

HB 470, HB 46, HB 284, HB 495, HB 567, HB 492, HB 403, HB 536, HB 477, HB 343, HB 552, HB 509, HB 481, HB 340, HB 524, HB 473, HB 504, HB 70, HB 126, HB 200, HB 502 taken from the Calendar and ordered read at length for the second time. Senator Ware moved that they be read by title only. Agreed by a majority of members elected.

Orders of the Day

HR 79 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the adoption of **HR 79.** Agreed. Adopted by voice vote.

HR 75 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HR 75.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Miller, Nichols, Palmer, Swope, Turner, Ware, White. Nays 0.

HR 75 was passed and the title agreed to.

HR 68 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Howard moved the adoption of **HR 68**. Agreed. Adopted by voice vote.

HB 17 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Craft moved the Previous Question on **HB 17**. Agreed.

On roll call, the vote was yeas 18—Brand, Buckman, Cobb, Craft, Fuqua, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, Martin, Nichols, Palmer, Raney, Turner, Ware. Nays 12—Bishop, Blue, Bonn, Duffy, Duncan, Gardner, Garnett, Garrett, Logan, McCann, McGinty, Overbey.

HB 17 was passed and the title agreed to.

Senator Craft moved that the vote by which **HB 17** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 380 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Amendment #1 to **HB 380** and moved its adoption. Agreed.

Amendment #1 to **HB 380** is as follows:

Amend printed copy of House Bill 380, on page 4, line 9, by inserting the following sentence after the word "employer.": "However in no event shall 'adjusted cost' be less than fifty percent of the basic insurance premium computed by applying current manual rates for Workmen's Compensation insurance to the payroll of every employer carrying his own risk and for this purpose each such employer shall annually furnish payroll data to the Workmen's Compensation Board."

Senator Ware moved the Previous Question on **HB 380**, as amended. Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 1—McGinty.

HB 380 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 380**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

HB 328 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 328**. Agreed.

On roll call, the vote was yeas 26—Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Garnett, Garrett, Hehl, Hickerson, Johnson, Kidwell, Kinkead, Kiser, McCann, Mann, Martin, Nichols, Overbey, Raney, Turner, Ware, White. Nays 2—Gardner, Kelly.

HB 328 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 328** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 191 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 191**. Agreed.

On roll call, the vote was yeas 25—Bishop, Bonn, Buckman, Cobb, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Nichols, Overbey, Palmer, Ware, White. Nays 0.

HB 191 was passed and the title agreed to.

HB 471 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 471**. Agreed.

On roll call, the vote was yeas 29—Bishop, Bonn, Brand, Buckman, Cobb, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Raney, Turner, Ware, White. Nays 0.

HB 471 was passed and the title agreed to.

Senator Buckman moved that the vote by which **HB 471** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 315 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 315**. Agreed.

On roll call, the vote was yeas 24—Bishop, Bonn, Brand, Buckman, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Overbey, Raney, Ware, White. Nays 0.

HB 315 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 315** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 493 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 493.** Agreed.

On roll call, the vote was yeas 22—Bishop, Bonn, Brand, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Overbey, Ware, White. Nays 0.

HB 493 was passed and the title agreed to.

HB 382 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 382.** Agreed.

On roll call, the vote was yeas 28—Bishop, Bonn, Brand, Buckman, Duffy, Duncan, Edwards, Fuqua, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Martin, Nichols, Overbey, Palmer, Turner, Ware, White. Nays 0.

HB 382 was passed and the title agreed to.

Senator Ware moved to take up for consideration concurrence in House Amendment #1 to **SB 217.** Agreed.

Senator Ware moved to concur in House Amendment #1 to **SB 217.** Agreed.

House Amendment #1 to **SB 217** is as follows:

Amend printed copy of Senate Bill 217 on page 1, line 5, by: deleting "magistrate" and inserting "county judge."

Senator Ware moved the Previous Question on **SB 217,** as amended. Agreed.

On roll call, the vote was yeas 28—Bishop, Bonn, Brand, Buckman, Cobb, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 1—Johnson.

SB 217 was passed and the title agreed to.

HB 216 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 216.** Agreed.

On roll call, the vote was yeas 30—Bishop, Bonn, Brand, Buckman, Cobb, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 0.

HB 216 was passed and the title agreed to.

HB 354 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **HB 354.** Agreed.

On roll call, the vote was yeas 30—Bishop, Bonn, Cobb, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 0.

Senator Garrett moved that the motion for the Previous Question be reconsidered. Said motion lost on voice vote.

HB 354 was passed and the title agreed to.

Senator Kinkead moved that the vote by which **HB 354** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 194 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols moved the Previous Question on **HB 194.** Agreed.

On roll call, the vote was yeas 29—Bishop, Bonn, Brand, Buckman, Cobb, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 0.

HB 194 was passed and the title agreed to.

Senator Nichols moved that the vote by which **HB 194** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 436 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Hickerson moved the Previous Question on **HB 436.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Duffy, Edwards, Fuqua, Gardner, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Miller, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Garnett.

HB 436 was passed and the title agreed to.

Senator Hickerson moved that the vote by which **HB 436** was passed be reconsidered and said motion be laid on the table. Agreed.

Recess

Senator Ware moved that the Senate recess until 2:15 p.m. Agreed.

At the appointed hour the President resumed the chair.

House Message

Announcing passage of **SB 27** (with amendments), **SB 116, SB 182, SB 236, SB 230, SB 274, SB 304, SB 311, SB 321, SB 34, SB 48, SB 285** (with a request to return to the House for further consideration).

Orders of the Day

HB 272 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 272.** Agreed.

On roll call, the vote was yeas 25—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Fuqua, Garnett, Garrett, Howard, Kelly, Kidwell, Kinkead, Kiser, Martin, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 4—Gardner, Johnson, McGinty, Overbey.

HB 272 was passed and the title agreed to.

HB 273 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 273.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Duffy, Edwards, Fuqua, Gardner, Garnett, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 273 was passed and the title agreed to.

HB 451 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **HB 451.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Duffy, Duncan, Edwards, Fuqua, Gardner, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Garnett.

HB 451 was passed and the title agreed to.

Senator Buckman moved that the vote by which **HB 451** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 297 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Miller moved the Previous Question on **HB 297.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Buckman, Cobb, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 297 was passed and the title agreed to.

Senator Miller moved that the vote by which **HB 297** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 118 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 118.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Duffy, Duncan, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 118 was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 217, SR 48, SB 61, SB 74, SB 75, SB 76, SB 77, SB 125, SB 193, SB 200, SB 211, SB 219, SB 287, SB 284, SB 288, SB 294, SB 299, SB 310, SB 313, SB 347** had been examined and found correctly enrolled. **SB 217, SR 48, SB 61, SB 74, SB 75, SB 76, SB 77, SB 125, SB 193, SB 200, SB 211, SB 219, SB 287, SB 284, SB 288, SB 294, SB 299, SB 310, SB 313, SB 347** read at length, compared and signed in open session by the President. Ordered delivered to the House.

SB 217, SR 48, SB 61, SB 74, SB 75, SB 76, SB 77, SB 125, SB 193, SB 200, SB 211, SB 219, SB 287, SB 284, SB 288, SB 294, SB 299, SB 310, SB 313, SB 347 delivered, signed by Speaker. Ordered delivered to the Governor.

Senator Ware moved the Senate to concur in the request of the House to return **SB 285.** Agreed.

Orders of the Day

HB 501 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 501.** Agreed.

On roll call, the vote was yeas 24—Blue, Bonn, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Logan, McCann, McGinty, Nichols, Palmer, Raney, Turner, Ware, White. Nays 7—Duncan, Edwards, Johnson, Kiser, Mann, Martin, Swope.

HB 501 was passed and the title agreed to.

HB 347 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 347.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kinkead, Kiser, McCann, McGinty, Mann, Nichols, Overbey, Palmer, Turner, Ware, White. Nays 2—Johnson, Logan.

HB 347 was passed and the title agreed to.

HB 544 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Raney moved the Previous Question on **HB 544.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Martin, Nichols, Palmer, Raney, Turner, Ware, White. Nays 0.

HB 544 was passed and the title agreed to.

HB 280 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols moved the Previous Question on **HB 280.** Agreed.

On roll call, the vote was yeas 28—Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Nichols, Palmer, Raney, Turner, Ware, White. Nays 0.

HB 280 was passed and the title agreed to.

Senator Nichols moved that the vote by which **HB 280** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 240 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **HB 240.** Agreed.

On roll call, the vote was yeas 23—Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Johnson, Kidwell, Kinkead, Kiser, McCann, Nichols, Palmer, Ware, White. Nays 11—Bishop, Garnett, Howard, Kelly, Logan, McGinty, Martin, Miller, Overbey, Swope, Turner.

HB 240 was passed and the title agreed to.

Senator Buckman moved that the vote by which **HB 240** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 362 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Overbey moved the Previous Question on **HB 362.** Agreed.

On roll call, the vote was yeas 31—Bishop, Bonn, Brand, Buckman, Cobb, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Swope, Turner, Ware. Nays 0.

HB 362 was passed and the title agreed to.

Senator Duffy moved that the vote by which **HB 362** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 254 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **HB 254.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Hehl, Hickerson, Howard, Johnson, Kelly, Kinkead, Kiser, Logan, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 0.

HB 254 was passed and the title agreed to.

Senator Buckman moved that the vote by which **HB 254** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 253 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **HB 253.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kiser, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Gardner.

HB 253 was passed and the title agreed to.

Senator Buckman moved that the vote by which **HB 253** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 252 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **HB 252.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Hehl, Hickerson, Howard, Johnson, Kelly, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 252 was passed and the title agreed to.

Senator Buckman moved that the vote by which **HB 252** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 309 taken from Orders of the Day. Senator Ware moved that consideration of **HB 309** be deferred and that it retain its place in Orders of the Day. Agreed.

The President vacated the chair, President Pro Tem presiding.

Senator Ware moved to take up **SB 117**, with the Conference Committee Report attached thereto. Agreed.

Senator Ware moved that the Conference Committee Report be adopted in lieu of Amendment #2 to **SB 117.** Agreed.

Conference Committee Report on **SB 117** is as follows:

Amend printed copy of Committee Substitute for Senate Bill 117 on page 7, line 27, by: inserting after the word "section" the following:

"Provided, however, that the certificate holder may request, as collateral for any loan, and collect premiums for,

(a) Notwithstanding the provisions of this or any other law:

(1) A licensee may request a borrower to insure tangible personal property, except household goods, offered as security for a loan not exceeding five thousand dollars under this Act against any substantial risk of loss, damage or destruction for any amount not to exceed the actual value of such property or the approximate amount of the loan, whichever is lesser, and for a term and upon conditions which are reasonable and appropriate considering the nature of the property and the maturity and other circumstances of the loan; provided such insurance is sold by a licensed agent, broker or solicitor.

(2) A licensee may also request as security for any loan obligation insurance on the life of the borrower, or one of them if there are two or more. The initial amount of credit life insurance shall not exceed the total amount repayable under the contract of indebtedness and, where an indebtedness is repayable in substantially equal installments, the amount of insurance shall at no time exceed the scheduled or actual amount of unpaid indebtedness, whichever is greater. Not more than one policy of life insurance may be written in connection with any loan transaction under this Act.

(3) In accepting any insurance provided for by this Act as security for a loan the licensee, its officers, agents or employes may deduct the premiums or identifiable charge therefor from the proceeds of the loan, and remit such premiums to the insurance company writing such insurance and any gain or advantage to the licensee or any employe, officer, director, agent, affiliate or associate from such insurance or its sale shall not be considered as additional or further charge in connection with any loan made under this Act. The arranging for and collecting of any indentifiable charge shall not be deemed the sale of insurance.

(4) Every insurance policy or certificate written in connection with a loan transaction pursuant to (a) (2) hereof shall provide for cancellation of coverage and a refund of the premium or identifiable charge unearned upon the discharge of the loan obligation for which such insurance is security without prejudice to any claim.

(5) Whenever insurance is written in connection with a loan transaction pursuant to this section the licensee shall deliver or cause to be delivered to the borrower a policy, certificate or other memorandum which shall show the coverages and the costs thereof, if any, to the borrower within thirty days from the date of the loan.

(6) All such insurance shall be written by a company authorized to conduct such business in this state and the licensee shall not require the purchase of such insurance from any agent or broker designated by the licensee nor shall the licensee decline existing coverages which equal or exceed the standards of this Act.

(b) insurance on real property pledged as security for a loan in an amount not to exceed the actual value of such property or the approximate amount of the loan whichever is lesser;

(c) accident and health insurance on not less than a fourteen day retroactive basis, covering one borrower in aggregate amount not to exceed the approximate amount of the loan with each periodic indemnity payment not to exceed the original indebtedness divided by the number of periodic installments;

all subject to the general provisions and limitations of this section. Premium rates for accident and health insurance written pursuant to this Act shall be reasonable in relation to benefits, and shall be filed with the Commissioner of Insurance.

Nothing in this Act shall be construed to prevent a certificate holder from conducting or operating an insurance agency in the same office."

Senator Ware moved the Previous Question on **SB 117,** as amended. Agreed.

On roll call, the vote was yeas 22—Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Miller, Palmer, Turner, Ware, White. Nays 1—Logan.

SB 117 was passed and the title agreed to.

HB 318 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 318.** Agreed.

On roll call, the vote was yeas 21—Blue, Bonn, Brand, Buckman, Craft, Duffy, Edwards, Fuqua, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Martin, Nichols, Swope, Turner, Ware, White. Nays 5—Cobb, Gardner, Johnson, Logan, Overbey.

HB 318 was passed and the title agreed to.

Senator Garrett moved that the vote by which **HB 318** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 466 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Craft moved the Previous Question on **HB 466.** Agreed.

On roll call, the vote was yeas 28—Bishop, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Hehl, Hickerson, Kelly, Kidwell, Kiser, Logan, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 4—Blue, Garrett, Johnson, Overbey.

HB 466 was passed and the title agreed to.

Senator Craft moved that the vote by which **HB 466** was passed be reconsidered and said motion be laid on the table. Agreed.

Senator Ware moved to take up **SB 27** for consideration of concurrence in House Amendment #1. Agreed.

Senator Ware moved to concur in House Amendment #1 to **SB 27.** Agreed.

House Amendment #1 to **SB 27** is as follows:

Amend printed copy of Senate Bill 27 on page 1, line 4, by: deleting the words "Department of Economic Security" and inserting in lieu thereof the words "Department of Child Welfare."

And on page 1, line 10, by: deleting the words "Department of Economic Security" and inserting in lieu thereof the words "Department of Child Welfare."

On roll call, the vote was yeas 31—Bishop, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Swope, Turner, Ware, White. Nays 0.

SB 27 was passed and the title agreed to.

HB 307 taken from Orders of the Day, with Committee Amendment attached thereto, and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Hehl moved the adoption of Committee Amendment #1 to **HB 307.** Agreed.

Senator Hehl moved the Previous Question on **HB 307,** as amended. Agreed.

On roll call, the vote was yeas 25—Bishop, Bonn, Brand, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Kidwell, Kinkead, Kiser, McCann, McGinty, Miller, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 2—Johnson, Logan.

HB 307 was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **SB 304, SB 321, SB 311, SB 236, SB 182, SB 116, SB 48, SB 34** had been examined and found correctly enrolled. **SB 304, SB 321, SB 311, SB 236, SB 182, SB 116, SB 48, SB 34** read at length, compared and signed in open session by the President Pro Tem. Ordered delivered to the House.

SB 304, SB 321, SB 311, SB 236, SB 182, SB 116, SB 48, SB 34 delivered, signed by Speaker. Ordered delivered to the Governor.

The President Pro Tem vacated the chair, the President presiding.

Orders of the Day

HB 334 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 334.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware. Nays 0.

HB 334 was passed and the title agreed to.

Senator Ware moved that the vote by which **HB 334** was passed be reconsidered and said motion be laid on the table. Agreed.

House Message

Announcing passage of **SB 324** (with amendment), **SB 343, SB 360, SR 62, SR 63, SR 64, SR 58, SR 39, HR 109.**

Orders of the Day

HB 397 taken from Orders of the Day. Senator Ware moved that it be recommitted to the Committee on Rules. Agreed.

Senator Ware moved to take up **SB 324** for consideration of the House Amendments Nos. 1 through 12. Agreed.

Senator Ware moved the adoption of House Amendments 1 through 12 to **SB 324.** Agreed.

House Amendments to **SB 324** are as follows:

Amend. # 1—On page 2, line 28, deleting the words "Kentucky State Department of Health" and inserting in lieu thereof the words "Kentucky State Board of Health."

Amend. #2—On page 3, line 23, deleting the words "containing one" and inserting in lieu thereof the words "which contain by weight one-twentieth of one percent or."

Amend. #3—On page 4, creating a new subsection (9) between lines 9 and 10 to read as follows: " 'Board' means the Kentucky State Board of Health."

Amend. #4—On page 7, deleting Section 6. (1), lines 10 through 15 and inserting in lieu thereof the following: "Section 6. (1) The Kentucky State Board of Health shall adopt rules and regulations for the regulation and control of by-product, source and special nuclear materials or devices or equipment utilizing such materials. The Board shall also provide rules and regulations for general or specific licensing of by-product, source, special nuclear materials, or devices or equipment utilizing such materials. Such rules and regulations shall also provide for amendment, suspension or revocation of licenses. Among other things, such rules and regulations shall provide that: ."

Amend. #5—On page 8, deleting subsection (2), lines 14 and 15, and inserting in lieu thereof the following: "(2) In addition to the authority conferred upon the State Board of Health by subsection (1) of this section the State Board of Health is authorized and empowered to adopt rules and regulations for the regulation, control, and registration or licensing of all other sources of ionizing radiation including X-Ray machines and devices."

Amend. #6—On page 8, creating a new subsection (5) between lines 25 and 26 to read as follows: (5) All other state agencies are hereby authorized to adopt rules and regulations relating to the regulation and control of sources of ionizing radiation which are within their jurisdiction of "responsibility."

Amend. #7—On page 9, line 15, deleting the word "department" and inserting in lieu thereof the word "Board."

Amend. #8—On page 10, deleting Section 11, lines 21 through 27, and substituting in lieu thereof the following: "Section 11. Ordinances, resolutions, or regulations of any political subdivision of the Commonwealth, including but not limited to planning and zoning regulations or requirements, now in effect or hereafter adopted by any such subdivision, relating to sources of ionizing radiation shall not be superseded by this Act; provided, however, that such ordinances, resolutions, regulations or planning and zoning regulations or requirements are concurred in by the Department insofar as they pertain to the public health and safety."

Amend. # 9—On page 12, deleting Section 16, lines 19 through 25, and inserting in lieu thereof the following: "Section 16. Any person who violates any of the provisions of this Act, or any rule or regulation adopted hereunder, shall upon conviction thereof, be fined not less than one hundred dollars nor more than five thousand dollars, or imprisoned in the county jail not less than thirty days nor more than six months, or both fined and imprisoned. Each violation shall constitute a separate offense."

Amend. #10—On page 13, deleting Section 18, lines 4 and 5 and substituting in lieu thereof the following: "Section 18. All radiological health regulations heretofore adopted by the State Board of Health and on file with the Legislative Research Commission in Frankfort, Kentucky, on the effective date of this Act shall remain in full force and effect unless otherwise amended or repealed."

Amend. #11—On page 13, deleting Section 19, lines 6 through 10, and substituting in lieu thereof the following: "Section 19. Sections 152.105, 152.110, 152.115, 152.120, 152.125, 152.130, 152.140, 152.150, 152.160, 152.170, 152.180, and 152.190 of the Kentucky Revised Statutes are hereby repealed.

Amend. #12—Amend title of printed copy of Senate Bill 324 by: deleting the words "An Act relating to Atomic Energy" and inserting in lieu thereof the words "An Act relating to Ionizing Radiation."

Senator Ware moved the Previous Question on **SB 324**, as amended. Agreed.

The roll call on **SB 324**, as amended, was in doubt and upon recapitulation the roll call was as follows:

On roll call, the vote was yeas 7—Craft, Gardner, Garnett, Hehl, Martin, Turner, Ware. Nays 24—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Duffy, Edwards, Fuqua, Garrett, Hickerson, Johnson, Kelly, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Swope.

SB 324 was defeated.

Senator Overbey moved that the vote by which **SB 324**, as amended, was defeated be reconsidered and said bill be returned to the Orders of the Day. Agreed.

The Clerk read the following communication:

DISSENTING OPINION—JOINT INVESTIGATING COMMITTEE HEARING ON 1960 TRUCK PURCHASE INCIDENT.

This is submitted by one member of the above named Committee, not as a true dissent, but rather as an amendment to the full Committee Report on this subject heretofore filed in both Houses of the 1962 General Assembly. It is intended to serve as an explanation of certain failures or shortcomings of the Report and necessarily not explained by the Report. This writer did sign and generally approve the majority Report.

At the outset, every reader of the Report should bear in mind throughout his study of same that the key witness in the investigation at hand was Mr. Cooke. His refusal to testify gave the Committee the problem of trying to see in the dark. The Report, therefore, should state in itself that the findings and recommendations contained therein are the result of an incomplete inquiry. This item of incompleteness was not the fault of the Committee.

There were, however, other evidence vacancies or windows which could and should have been closed, and these items of incompleteness were the fault of the Committee and we must bear that blame. We committed, in the opinion of the writer, several glaring procedural errors, and it is of no import now how the individual Committee members voted on the various procedural matters. To the credit of all members, the majority ruled without being attacked in public by any aggrieved member.

Consider the following:

(1) Cooke was asked by the Committee to come to Frankfort to answer questions. It may be that one hundred different reasons prevented him from doing so when he arrived here. It may be that only one reason, that of his probation, did so. It may be that there was no real reason at all. We will never know.

(2) In the case of the then Highway Commissioner Clements these procedural questions should be weighed:

(a) We actually allowed no testimony from him;

(b) Because of this he could not enlarge upon his own submitted deposition and we gave ourselves no opportunity to expand it;

(c) His rebuttal request fell on deaf ears. It should not have. We should have used that opportunity to cross-examine him and hear him in full, and to correct our earlier refusal to hear his direct testimony.

(3) The Committee preferred not to call either Mr. Baker or Mr. Grubbs. Whatever they may have said was considered not important. The writer believes their testimony may have been important.

(4) The public should be advised that, although the Governor and the Lieutenant Governor testified in this matter of their own accord, the Governor laid down the rule that we could not have Executive Branch testimony unless it was the last testimony to be heard by the Committee.

In conclusion, this minority report simply finds that all that could have been investigated in this case was not investigated, and that all that could have been reported has not been reported.

Respectfully submitted,

Representative James Holloran
Member, Joint Committee on State
Government Operations

Senator Ware moved that the Senate adjourn until 11 a.m., Friday, March 16. Agreed.

FRIDAY, MARCH 16, 1962

SIXTIETH LEGISLATIVE DAY

The Senate was called to order by the President.

Prayer by the Reverend James Shepherd, Pastor of the First Methodist Church of Frankfort.

The roll was called. All present except Senators Conley and Derickson, who were granted leave of absence on motion of Senator Ware.

Reading of Journal for March 15 dispensed with and the same approved on motion of Senator McCann.

Motions, Petitions and Communications

Senator Ware moved to dispense with the regular order of business and take up the Orders of the Day. Agreed.

Orders of the Day

HB 251 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **HB 251.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 251 was passed and the title agreed to.

HB 444 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Buckman moved the Previous Question on **HB 444.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Gardner.

HB 444 was passed and the title agreed to.

HB 332 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Martin moved the Previous Question on **HB 332.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 332 was passed and the title agreed to.

HB 337 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 337.** Agreed.

On roll call, the vote was yeas 32—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 337 was passed and the title agreed to.

HB 153 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 153.** Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 153 was passed and the title agreed to.

HB 484 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 484.** Agreed.

On roll call, the vote was yeas 27—Bishop, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Howard, Kelly, Kidwell, Kinkead, Kiser, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 484 was passed and the title agreed to.

HB 437 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 437.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garnett, Garrett, Hickerson, Howard, Johnson, Kelly, Kidwell, Kiser, Logan, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 437 was passed and the title agreed to.

HB 555 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 555.** Agreed.

On roll call, the vote was yeas 26—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Kelly, Kidwell, Kinkead, Kiser, Logan, Mann, Miller, Palmer, Raney, Swope, Turner, Ware, White. Nays 5—Edwards, Hickerson, Johnson, McGinty, Overbey.

HB 555 was passed and the title agreed to.

HB 140 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Kinkead moved the Previous Question on **HB 140.** Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, McGinty, Mann, Palmer, Raney, Turner, Ware, White. Nays 7—Garnett, Johnson, Logan, Martin, Miller, Overbey, Swope.

HB 140 was passed and the title agreed to.

HB 340 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 340.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Fuqua, Garnett, Garrett, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Miller, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 340 was passed and the title agreed to.

Recess

Senator Ware moved that the Senate recess for five minutes. Agreed.

At the appointed hour the President resumed the chair.

Orders of the Day

HB 213 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 213.** Agreed.

On roll call, the vote was yeas 35—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 213 was passed and the title agreed to.

HB 395 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator McGinty moved the Previous Question on **HB 395.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 395 was passed and the title agreed to.

Senator McGinty moved that the vote by which **HB 395** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 97 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Nichols offered Amendment #1 to **HB 97** and moved its adoption. Agreed.

Amendment #1 to **HB 97** is as follows:

Amend printed copy of House Bill 97 on page 3, lines 21-28, and on page 4, lines 1 through 7 by striking all of said lines in their entirety and inserting in lieu thereof the following:

"Section 6. This Act shall not alter any law applicable to, or otherwise affect the fiducial, confidential, or ethical relationship between a person rendering professional services and a person receiving such services. The corporation shall be jointly and severally liable, with the tort feasor, to the full value of its assets for any negligent or wrongful acts or actionable misconduct committed by any of its officers, shareholders, agents or employes while they are engaged on behalf of the corporation in the rendering of professional service. Provided, however, that no shareholder, director, officer or employe of a professional service corporation shall be personally liable for the contractual obligations of the corporation. Notwithstanding any contrary provisions of law, a corporation organized under this Act may charge and collect fees for the professional services of its officers, directors, agents or employes, and may compensate those who render such professional services."

and on page 4, by striking all of lines 16 through 25 and inserting in lieu thereof:

"Section 8. The corporate name of a corporation organized under this Act shall consist of only the last names of two or more of its shareholders, and the word 'chartered' or 'professional service corporation' or the abbreviation 'P.S.C.' unless there is only one stockholder, in which event the corporate name shall consist of the stockholder's name and one of the aforementioned suffixes. However, a professional service corporation may render professional services and exercise its authorized powers under a name which is identical to its corporate name except that the word 'chartered' or 'professional service corporation' or the abbreviation 'P.S.C.' is omitted, provided that the corporation has first registered the name to be so used in the manner provided by law in KRS 365.010. Provided, further, that nothing contained herein shall be construed to authorize advertising of professional services in any manner contrary to the ethical standards of the profession involved, and such standards may be enforced under Section 7 hereof, by appropriate regulation of the governing board thereof."

Senator Nichols moved the Previous Question on **HB 97** as amended. Agreed.

On roll call, the vote was yeas 31—Bishop, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 97 was passed and the title agreed to.

Senator Nichols moved that the vote by which **HB 97** was passed be reconsidered and said motion be laid on the table. Agreed.

HB 495 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garrett moved the Previous Question on **HB 495.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Miller, Nichols, Palmer, Raney, Turner, Ware, White. Nays 1—Overbey.

HB 495 was passed and the title agreed to.

HB 296 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 296.** Agreed.

On roll call, the vote was yeas 29—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Nichols, Overbey, Palmer, Raney, Turner, Ware, White. Nays 3—Gardner, Johnson, Swope.

HB 296 was passed and the title agreed to.

HB 353 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 353.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 353 was passed and the title agreed to.

House Message

Announcing passage of **HR 115, SR 28** (with amendment).

Orders of the Day

HB 241 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Amendment #1 to **HB 241** and moved its adoption. Agreed.

Amendment #1 to **HB 241** is as follows:

Amend printed copy of House Bill No. 241 on page 1, line 1, by: deleting the following words: "shall purchase, out of state funds, policies of insurance of all kinds deemed advisable covering state police vehicles operated by" and substituting therefor: "may secure such automobile liability insurance as will reasonably protect the interest of."

and on page 1, line 5 by deleting the following words: "shall be purchased only from insurers authorized to do business in this state and shall be countersigned by a licensed resident agent."

and substituting therefor: "shall be purchased only in accordance with regulations prescribed by the Commissioner of Insurance and the Commissioner of Finance."

"Section 3. There is appropriated to the Department of Public Safety out of the General Expenditure Fund for the purpose of carrying out the provisions of this Act, the sum of $10,000 for the fiscal year beginning July 1, 1962 and ending June 30, 1963, and the sum of $10,000 for the fiscal year beginning July 1, 1963 and ending June 30, 1964."

Senator Ware moved the Previous Question on **HB 241,** as amended.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 241 was passed and the title agreed to.

HB 524 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 524.** Agreed.

Senator Overbey arose to a point of order, stating that **HB 524** had been introduced on March 14. The President informed Senator Overbey that the record showed that the bill was reported to the Senate on March 14, that its readings were in order, and that sixteen votes were sufficient to pass the bill.

On roll call, the vote was yeas 16—Bishop, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Garrett, Hehl, Kidwell, Kinkead, McCann, Mann, Turner, Ware. Nays 15—Blue, Duncan, Edwards, Gardner, Hickerson, Howard, Johnson, Kelly, Kiser, McGinty, Martin, Overbey, Palmer, Swope, White.

HB 524 was passed and the title agreed to.

Senator Ware moved to take up **SR 28**, with House Amendments attached thereto. Agreed.

Senator Ware moved the adoption of House Amendment #1 to **SR 28.** Agreed.

House Amendment #1 to **SR 28** is as follows:

Amend printed copy of Senate Resolution 28 on page 1, line 4, by: striking therefrom the figure "$75,000" and substituting therefor the figure "$35,000."

Senator Ware moved the adoption of House Amendment #2 to **SR 28.** Agreed.

House Amendment #2 to **SR 28** is as follows:

Amend printed copy of Senate Resolution 28 on page 2, after line 4, by adding the following:

"4. Notwithstanding the provisions of KRS 157.014 and KRS 61.096, the membership of the Commission on Public Education shall at all times include one member of the General Assembly."

Senator Ware moved the Previous Question on **SR 28,** as amended. Agreed.

On roll call, the vote was yeas 21—Bonn, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Garnett, Garrett, Hehl, Kidwell, Kinkead, Kiser, McCann, Mann, Nichols, Palmer, Raney, Turner, Ware, White. Nays 13—Bishop, Duncan, Edwards, Gardner, Howard, Johnson, Kelly, Logan, McGinty, Martin, Miller, Overbey, Swope.

SR 28 was passed and the title agreed to.

Senator Ware moved the Senate to recess until 2:15 p.m. Agreed.

At the appointed hour the President resumed the chair.

Orders of the Day

HB 514 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the Previous Question on **HB 514.** Agreed.

On roll call, the vote was yeas 34—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 514 was passed and the title agreed to.

House Message

Announcing passage of **SB 174**, **SB 104**, **SB 283**, **SB 285** (with amendment), **SB 55** (with amendment), **SB 281** (with amendment), **SB 356** (with amendment).

Report on Enrolled Bills and Resolutions

Committee on Enrollment reported that **SB 230, SB 274, SR 39, SR 58, SR 62, SR 63, SR 64, SB 27, SB 343, SB 360** had been examined and found correctly enrolled. **SB 230, SB 274, SR 39, SR 58, SR 62, SR 63, SR 64, SB 27, SB 343, SB 360** read at length, compared and signed in open session by the President. Ordered delivered to the House.

SB 230, SB 274, SR 39, SR 58, SR 62, SR 63, SR 64, SB 27, SB 343, SB 360 delivered, signed by the Speaker. Ordered delivered to the Governor.

Orders of the Day

Senator Ware moved to take up **SB 55**, with House Amendment attached thereto. Agreed.

Senator Ware moved to refuse to concur in the House Amendment to **SB 55** and to request the House to recede. Agreed.

Senator Ware moved to take up for consideration concurrence in the House Amendment to **SB 285.** Agreed.

Senator Ware moved to concur in the House Amendment to **SB 285.** Agreed.

House Amendment to **SB 285** is as follows:

Amend printed copy of Senate Bill 285 on page 2, line 13, by: striking therefrom lines 13 through 28; and on page 3, by: striking therefrom lines 1 through 12.

Senator Ware moved the Previous Question on **SB 285**, as amended. Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Duffy, Duncan, Edwards, Fuqua, Gardner, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Johnson.

SB 285 was passed and the title agreed to.

Senator Ware moved to take up for consideration concurrence in the House Amendment to **SB 281.** Agreed.

Senator Ware moved to concur in the House Amendment to **SB 281.** Agreed.

House Amendment to **SB 281** is as follows:

Amend printed copy of Senate Bill 281 on page 1, line 6, by: deleting the words "Fiscal Court" and inserting in lieu thereof the words "County Judge."

Senator Ware moved the Previous Question on **SB 281,** as amended. Agreed.

On roll call, the vote was yeas 33—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Johnson, Kelly, Kidwell, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 281 was passed and the title agreed to.

Senator Ware moved to take up for consideration concurrence in the House Amendment to **SB 356.** Agreed.

Senator Ware moved to concur in the House Amendment #1 to **SB 356.** Agreed.

House Amendment #1 to **SB 356** is as follows:

Amend printed copy of Senate Bill 356 on page 1, line 9, by: striking the period immediately after the word "elsewhere" and adding the following:

"Provided, however, such compensation shall not exceed $17,500.00."

Senator Ware moved the Previous Question on **SB 356,** as amended. Agreed.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Garnett, Garrett, Hehl, Hickerson, Howard, Kidwell, Kinkead, Kiser, McGinty, Mann, Nichols, Palmer, Raney, Turner, Ware, White. Nays 6—Gardner, Logan, Martin, Miller, Overbey, Swope.

SB 356 was passed and the title agreed to.

HB 415 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 415.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Cobb, Craft, Duffy, Duncan, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 415 was passed and the title agreed to.

HB 369 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware offered Amendment #1 to **HB 369** and moved its adoption. Agreed.

Amendment #1 to **HB 369** is as follows:

Amend printed copy of House Bill 369, on page 2, lines 5, 7, 19 and 21, by deleting the word "created" and inserting in lieu thereof the word "authorized."

On page 2, line 23, after "boundaries." insert "Such districts may be created by the Fiscal Court of that county."

Senator Ware moved the Previous Question on **HB 369**, as amended. Agreed.

On roll call, the vote was yeas 33—Bishop, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 369 was passed and the title agreed to.

Report on Enrolled Bills

Committee on Enrollment reported that **HR 68, HR 79, HB 318, HB 347, HB 362, HB 451, HB 501, HB 544, HB 380, HB 285, HB 297, HB 280, HB 273, HB 272, HB 254, HB 253, HB 252, HB 240, HB 118, HB 74, HB 315, HB 216, HB 328, HB 354, SR 28, HB 493, HB 497, HB 382, HB 436, HB 471, HB 191, HB 194, HR 75, HB 23, HB 17, HB 230, HB 274, HB 183, HB 156** had been examined and found correctly enrolled. **HR 68, HR 79, HB 318, HB 347, HB 362, HB 451, HB 501, HB 544, HB 380, HB 285, HB 297, HB 280, HB 273, HB 272, HB 254, HB 253, HB 252, HB 240, HB 118, HB 74, HB 315, HB 216, HB 328, HB 354, SR 28, HB 493, HB 497, HB 382, HB 436, HB 471, HB 191, HB 194, HR 75, HB 23, HB 17, HB 230, HB 274, HB 183, HB 156** read at length, compared and signed in open session by the President. Ordered delivered to the House.

Orders of the Day

HB 126 taken from Orders of the Day with Committee Amendment attached thereto and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the adoption of Committee Amendment to **HB 126.** Agreed.

Senator Ware moved the Previous Question on **HB 126,** as amended. Agreed.

On roll call, the vote was yeas 20—Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Garnett, Garrett, Hehl, Kelly, Kidwell, Kinkead, McCann, Nichols, Palmer, Raney, Turner, Ware, White. Nays 16—Bishop, Duncan, Edwards, Fuqua, Gardner, Hickerson, Howard, Johnson, Kiser, Logan, McGinty, Mann, Martin, Miller, Overbey, Swope.

HB 126 was passed and the title agreed to.

HB 309 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 309.** Agreed.

On roll call, the vote was yeas 21—Blue, Bonn, Brand, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hehl, Kidwell, Kinkead, McCann, Mann, Martin, Miller, Nichols, Turner, Ware, White. Nays 11—Duncan, Hickerson, Howard, Johnson, Kelly, Kiser, Logan, McGinty, Overbey, Raney, Swope.

HB 309 was passed and the title agreed to.

House Message

Announcing passage of **SB 224, SB 235, SB 302, SB 305, SB 367, SB 322, SB 345, SB 348, SB 370, SR 60, SR 61, SB 327** (with amendment), House Committee Substitute to **SB 292** (with amendment), **SB 251** (with amendment), **SB 117** (Conference Commitee Report concurred in).

Orders of the Day

Senator Ware moved to take up for consideration concurrence in the House Amendment to **SB 327.** Agreed.

Senator Ware moved to concur in the House Amendment to **SB 327.** Agreed.

House Amendment to **SB 327** is as follows:

Amend printed copy of Senate Bill 327 on page 2, line 10, by adding the following:

For purposes of this section, power driven lawnmowers of three horse-power or less shall not be considered power-driven machinery.

On roll call, the vote was yeas 25—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Hickerson, Howard, Kelly, Kidwell, Kinkead, McCann, McGinty, Mann, Palmer, Swope, Turner, Ware. Nays 6—Garrett, Kiser, Logan, Overbey, Raney, White.

SB 327 was passed and the title agreed to.

Senator Ware moved to take up for consideration concurrence in the House Committee Substitute for **SB 292.** Agreed.

House Committee Substitute to **SB 292** is as follows:

HOUSE COMMITTEE SUBSTITUTE
FOR
SENATE BILL 292

AN ACT relating to finance and revenue in first class cities and counties containing such cities.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

Section 1. In all cities of the first class the legislative body may provide by ordinance for the payment of all ad valorem taxes, city and school, upon election by the taxpayer, on a monthly, quarterly, or semiannual basis, provided that no taxpayer so electing shall be entitled to any discount provided by statute or ordinance for the prompt payment of taxes.

Section 2. In all counties containing cities of the first class the fiscal court may by resolution, and the board of aldermen of the city of the first class may by ordinance, provide for the payment of all ad valorem taxes, state, county, or school, upon election by the taxpayer, on a monthly, quarterly or semiannually basis, provided that no taxpayer so electing shall be entitled to any discount provided by statute for the prompt payment of taxes.

Senator Ware moved to concur in the House Committee Substitute for **SB 292.** Agreed.

Senator Overbey arose to a point of order as to the House Committee Substitute and whether or not it was necessary to have three readings on the bill. The President ruled that the Senate could concur in the House Committee Substitute.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Hickerson, Howard, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

SB 292 was passed and the title agreed to.

Senator Ware moved to take up for consideration concurrence in the House Amendment to **SB 251.**

House Amendment to **SB 251** is as follows:

Amend printed copy of Senate Bill 251 on page 11, line 4, by deleting the words "Franklin County"

and on page 11, line 5, by removing the brackets.

Senator Ware moved to concur in the House Amendment to **SB 251.**

Senators Ware and Swope requested a roll call on the House Amendment.

On roll call, the vote was yeas 22—Bishop, Blue, Brand, Cobb, Craft, Duffy, Duncan, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Logan, McCann, Miller, Nichols, Overbey, Palmer, Swope, Turner, Ware. Nays 10—Edwards, Fuqua, Hickerson, Kelly, Kidwell, Kinkead, Kiser, McGinty, Martin, Raney.

Senator Ware moved the Previous Question on **SB 251,** as amended. Agreed by voice vote.

On roll call, the vote was yeas 20—Bishop, Blue, Brand, Cobb, Duffy, Duncan, Gardner, Garnett, Garrett, Hehl, Howard, Johnson, Logan, McCann, Nichols, Overbey, Palmer, Swope, Turner, Ware. Nays 9—Edwards, Fuqua, Kelly, Kidwell, Kinkead, Kiser, McGinty, Martin, Raney.

Senator Gardner moved, seconded by Senator Logan, to amend the Title to **SB 251** and that it be known as the "Bert Combs Bill." Motion lost on a voice vote.

SB 251 was passed and the title agreed to.

HB 554 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator McGinty moved, seconded by Senator Howard, that **HB 554** be tabled. Agreed by voice vote.

HB 492 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Duffy moved the adoption of the Senate Committee Amendment to **HB 492.**

Senator Miller arose to a point of order and moved that the Committee Amendment to **HB 492** be read at length.

The President ordered the Clerk to read the Committee Amendment to **HB 492** in its entirety, word for word.

Senator Miller then arose and stated that he would concede the reading of the Amendment and moved the Previous Question on the Committee Amendment to **HB 492.**

The President informed Senator Miller that in order to hold strictly to the Constitution the Clerk would proceed.

Senators Duffy and Bonn requested a roll call on the motion to adopt the Committee Amendment to **HB 492.**

On roll call, the vote was yeas 19—Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson, Kidwell, Kinkead, McCann, Nichols, Palmer, Raney, Turner, Ware. Nays 14—Bishop, Duncan, Edwards, Fuqua, Gardner, Howard, Johnson, Kiser, Logan, McGinty, Mann, Martin, Miller, Swope.

Senator Duffy offered Amendment #1 to **HB 492** and moved its adoption. Adopted by voice vote.

Amendment #1 to **HB 492** is as follows:

Amend printed copy of Senate Amended House Bill 492 by:

On page 3, after line 28, insert the following new subsection: "(7) The board may contract with a metropolitan sewer district organized under KRS Chapter 76 for the administration and management of the business, activities and affairs of the sanitation district."

On page 9, line 20, deleting "or" and insert "are."

On page 14, line 11, after "the" and before "property" insert "real."

On page 22, deleting lines 20 through 28.

On page 23, deleting lines 1 through 7.

On page 23, line 12, deleting "each" and restore "three" by deleting the brackets.

On page 23, lines 14 and 15, restore the deleted material by deleting the brackets.

On page 23, line 16, deleting "to" and insert "of."

On page 23, lines 20 through 26, restore the deleted material by deleting the brackets except on line 24 retain in brackets the words "outside the limits of the city."

On page 24, lines 1 through 8, restore the deleted material by deleting the brackets.

On page 24, lines 13, 14 and 15, restore the deleted material by deleting the brackets and delete "of the city legislative body", and insert a period after "approval."

On page 24, lines 22 through 28, restore the deleted material by deleting the brackets.

On page 25, line 1, restore "office." by deleting the brackets.

On page 25, lines 19 and 20, restore by deleting the brackets "within the limits of the" and insert after the word "district" the words "and, until the creation of a sanitation district pursuant to Sections 1 to 17 of this 1962 Act,".

On page 28, line 28, after "district" insert ", and, until the creation of a sanitation district pursuant to Sections 1 to 17 of this 1962 Act, in all other areas of the county containing such city."

On page 29, line 10, after "district" insert ", or, until the creation of a sanitation district pursuant to Sections 1 to 17 of this 1962 Act, in the remainder of the county containing such city,".

On page 30, restore lines 17 through 20 by deleting the brackets.

On page 30, line 17, delete "Where" and insert "Until a sanitation district is created in the county pursuant to Sections 1 to 17 of this 1962 Act, where."

On page 31, line 22, after "district" insert ", if there be one,".

Senator Duffy moved the Previous Question on **HB 492**, as amended. Agreed.

On roll call, the vote was yeas 20—Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson, Kidwell, Kinkead, Logan, McCann, Nichols, Palmer, Raney, Turner, Ware. Nays 11—Bishop, Duncan, Edwards, Fuqua, Gardner, Howard, Kiser, McGinty, Mann, Miller, Swope.

Senator Duffy moved to amend the Title to **HB 492** as follows:

Amend printed copy of Senate Amended House Bill 492 on page 1, by amending the title to read "AN ACT relating to sewer and sanitation services."

Senators Howard and Miller requested a roll call on the Title Amendment to **HB 492**. Agreed.

On roll call, the vote was yeas 19—Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson, Kidwell, Kinkead, McCann, Nichols, Palmer, Raney, Turner, Ware. Nays 12—Bishop, Duncan, Edwards, Fuqua, Gardner, Howard, Johnson, Logan, McGinty, Mann, Miller, Swope.

HB 492 was passed and the title agreed to.

Senator Duffy moved that the vote by which **HB 492**, as amended, was passed be reconsidered and said motion be laid on the table. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported **SB 104, SB 224, SB 251, SB 235, SB 174, SR 61, SR 60, SB 117, SB 327, SB 322, SB 305, SB 302, SB 292, SB 285, SB 283, SB 370, SB 367, SB 356, SB 348, SB 345, SB 281, HB 296, HB 140, HB 153, HB 97, HB 213, HB 340, HB 337, HB 444, HB 466, HB 334, HB 555, HB 332, HB 307, HB 353, HB 395, HB 495, HB 251, HB 484, HB 437** had been examined and found correctly enrolled. **SB 104, SB 224, SB 251, SB 235, SB 174, SR 61, SR 60, SB 117, SB 327, SB 322, SB 305, SB 302, SB 292, SB 285, SB 283, SB 370, SB 367, SB 356, SB 348, SB 345, SB 281, HB 296, HB 140, HB 153, HB 97, HB 213, HB 340, HB 337, HB 444, HB 466, HB 334, HB 555, HB 332, HB 307, HB 353, HB 395, HB 495, HB 251, HB 484,**

HB 437 read at length, compared and signed in open session by the President. Ordered delivered to the House.

SB 104, SB 224, SB 251, SB 235, SB 174, SR 61, SR 60, SB 117, SB 327, SB 322, SB 305, SB 302, SB 292, SB 285, SB 283, SB 370, SB 367, SB 356, SB 348, SB 345, SB 281 delivered, signed by Speaker. Ordered delivered to the Governor.

Orders of the Day

HB 56 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 56.** Agreed.

On roll call, the vote was yeas 30—Bishop, Bonn, Brand, Buckman, Cobb, Craft, Fuqua, Gardner, Garnett, Garrett, Hehl, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 56 was passed and the title agreed to.

HB 560 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 560.** Agreed.

On roll call, the vote was yeas 23—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Fuqua, Gardner, Garnett, Garrett, Hehl, Kidwell, Kinkead, McCann, Mann, Martin, Miller, Nichols, Palmer, Raney, Turner, Ware. Nays 6—Howard, Johnson, Logan, McGinty, Overbey, White.

HB 560 was passed and the title agreed to.

Senator Overbey moved, seconded by Senator Martin, to recess for thirty minutes.

Senator Kelly moved to table Senator Overbey's motion to recess. Agreed by voice vote.

HB 94 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Garnett moved the Previous Question on **HB 94.** Agreed.

Senators Johnson and Overbey requested a roll call on Senator Garnett's motion on the Previous Question.

On roll call, the vote was yeas 23—Bishop, Blue, Brand, Buckman, Cobb, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Hickerson, Howard, Kelly, Kidwell, McCann, Mann, Miller, Nichols, Palmer, Raney, Turner, Ware. Nays 4—Johnson, Logan, Overbey, Swope.

On roll call, the vote was yeas 19—Bishop, Blue, Brand, Buckman, Craft, Duncan, Fuqua, Gardner, Garnett, Hickerson, Kelly, Kidwell, Kiser, McCann, Mann, Palmer, Raney, Turner, Ware. Nays 7—Bonn, Edwards, Howard, Johnson, Logan, McGinty, Swope.

HB 94 was passed and the title agreed to.

HB 301 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 301.** Agreed.

Senators Overbey and Johnson requested a roll call on Senator Ware's motion on the Previous Question.

On roll call, the vote was yeas 23—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Garnett, Garrett, Hehl, Hickerson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Palmer, Raney, Turner, Ware. Nays 0.

On roll call, the vote was yeas 27—Bishop, Blue, Bonn, Brand, Buckman, Craft, Duffy, Fuqua, Gardner, Garnett, Garrett, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Martin, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware. Nays 1—Johnson.

HB 301 was passed and the title agreed to.

HB 457 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 457.** Agreed.

Senator Overbey moved, seconded by Senator Martin, to recess for thirty minutes.

Senator McGinty moved to table Senator Overbey's motion to recess. Agreed on voice vote.

Senators Overbey and Swope requested a roll call on Senator Ware's motion on the Previous Question on **HB 457.**

On roll call, the vote was yeas 22—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Garnett, Garrett, Hehl, Howard, Logan, McCann, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware. Nays 1—Overbey.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Edwards, Fuqua, Garnett, Garrett, Hehl, Kidwell, Kinkead, Kiser, Logan, McGinty, Mann, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 0.

HB 457 was passed and the title agreed to.

HB 262 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Hehl moved the Previous Question on **HB 262.**

Senators Kiser and Overbey requested a roll call on Senator Hehl's motion on the Previous Question.

On roll call, the vote was yeas 15—Bishop, Blue, Bonn, Brand, Craft, Gardner, Hehl, Kiser, Logan, McGinty, Mann, Martin, Miller, Raney, Ware. Nays 3—Garnett, Howard, Kelly.

Senator Kinkead moved, seconded by Senator Howard, to table **HB 262.** Said motion lost on voice vote.

Senator Kinkead offered Amendment #1 to **HB 262** and moved its adoption. Said amendment lost by voice vote.

Amendment #1 to **HB 262** is as follows:

Amend printed copy of House Bill 262, on page 2, line 15, by: Adding the following sentence after the word "Act."

"Nothing contained in this Act shall be construed to prohibit the city legislative body of any city of the second class from prescribing a forty (40) hour work week for the Fire Department by dividing said department into three (3) platoons, each platoon to work eight (8) hours per day and five (5) days per week as determined by the city legislative body."

Senator Overbey moved the Previous Question on **HB 262.** Agreed.

On roll call, the vote was yeas 24—Bishop, Blue, Bonn, Brand, Buckman, Craft, Duncan, Gardner, Hehl, Hickerson, Johnson, Kiser, Logan, McCann, McGinty, Mann, Martin, Miller, Overbey, Raney, Swope, Turner, Ware, White. Nays 7—Duffy, Edwards, Fuqua, Garrett, Howard, Kinkead, Nichols.

HB 262 was passed and the title agreed to.

Senator Hehl moved that the vote by which **HB 262** was passed be reconsidered and said motion be laid on the table. Agreed.

House Message

Announcing that the House had refused to recede from the House Amendment to **SB 55.**

Senator Overbey moved to recess for fifteen minutes. Motion lost on voice vote.

HB 445 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 445.** Agreed.

On roll call, the vote was yeas 30—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Hehl, Kelly, Kidwell, Kinkead, Kiser, McCann, McGinty, Mann, Martin, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 1—Overbey.

HB 445 was passed and the title agreed to.

Senator Ware moved to concur in the House Amendments to **SB 324.**

Senator Kidwell moved to reconsider the vote by which **SB 324** was placed in Orders of the Day on March 15. Agreed.

Senator Kidwell moved to reconsider the vote by which **SB 324** lost. Agreed.

Senator Kidwell moved to reconsider the vote by which the House Amendments were adopted. Agreed.

Senator Kidwell moved to take up the House Amendments to **SB 324.** Agreed.

Senator Ware moved the adoption of the House Amendments to **SB 324.** Agreed.

Senator Buckman offered Amendment #1 to House Amendment #6 to **SB 324,** and moved its adoption. Agreed.

Amendment #1 to House Amendment #6 to **SB 324** is as follows:

Amend House Amendment #6 to Senate Bill 324 on page 8, by deleting House Amendment #6 and inserting in lieu thereof the following:

"(5) All other state departments, boards, commissions, and agencies are hereby authorized to adopt rules and regulations relating to the regulation and control of sources of ionizing radiation which are within their jurisdiction of responsibility."

Senator Overbey requested that the record show that a point of order was raised as to the legality of Senator Buckman's Amendment #1 to House Amendment #6 to **SB 324.** The President ordered that the record so show.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Johnson, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, McGinty, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware. Nays 2—Howard, Overbey.

SB 324 was passed and the title agreed to.

HB 62 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 62.** Agreed.

On roll call, the vote was yeas 28—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Garrett, Hehl, Kelly, Kidwell, Kinkead, Kiser, Logan, McCann, Mann, Miller, Nichols, Palmer, Raney, Swope, Turner, Ware, White. Nays 4—Gardner, Garnett, Martin, Overbey.

Senator Overbey moved to amend the Title to **HB 62** to read the "John Young Brown Bill." Agreed.

HB 62 was passed and the title agreed to.

HB 441 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 441.** Agreed.

On roll call, the vote was yeas 31—Bishop, Blue, Bonn, Brand, Buckman, Cobb, Craft, Duffy, Duncan, Edwards, Fuqua, Gardner, Garnett, Garrett, Hehl, Kidwell, Kinkead, Logan, McCann, McGinty, Mann, Martin, Miller, Nichols, Overbey, Palmer, Raney, Swope, Turner, Ware, White. Nays 3—Howard, Johnson, Kelly.

HB 441 was passed and the title agreed to.

HB 507 taken from Orders of the Day and ordered read at length for the third time. Senator Ware moved that it be read by title only. Agreed by a majority of members elected.

Senator Ware moved the Previous Question on **HB 507.** Agreed.

Senator Ware moved that **HB 507** be tabled. Agreed.

Report on Enrolled Bills

Committee on Enrollment reported that **HB 369, HB 445, HB 457, HB 560, HB 301, HB 241, HB 262, HB 126, HB 94, HB 56, HB 524, HB 415, HB 514** had been examined and found correctly enrolled. **HB 369, HB 445, HB 457, HB 560, HB 301, HB 241, HB 262, HB 126, HB 94, HB 56, HB 524, HB 415, HB 514** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

The President announced that he was about to sign **HB 309.**

Senator Overbey objected and requested that the record show his objection to the signing of **HB 309.**

The President ruled that Senator Overbey had no right to make objection to the signing of **HB 309** and proceeded to sign over the continued objections of Senator Overbey.

The President announced that he was about to sign **HB 492.**

Senator Miller objected to the signing of **HB 492** and requested that the record show his objection before the bill was signed, stating that the House of Representatives had adjourned sine die. However, the Senate had not been officially notified of such action by the House.

Senator Ware moved that the vote to amend the Title to **HB 62** be reconsidered. Agreed.

Report on Enrolled Bill

Committee on Enrollment reported that **SB 324** had been examined and found correctly enrolled. **SB 324** read at length, compared, and signed in open session by the President. Ordered delivered to the House.

Senator Garnett moved that the Rules be suspended for the purpose of introducing a resolution. Agreed.

Introduction of Resolution

SR 74, by Senator Garnett: A RESOLUTION relating to Administrative Procedures Law.

WHEREAS, Senate Resolution 53, adopted by the Senate in 1960, directed the Legislative Research Commission to study administrative procedures in the Commonwealth of Kentucky;

WHEREAS, Research Report No. 12 of the Legislative Research Commission has been prepared on this subject;

WHEREAS, the Advisory Committee on Administrative Law, appointed under Senate Resolution 53, has devoted much time to adapting the Model Administrative Procedures Act of the National Conference of Commissioners on Uniform State Laws to Kentucky's needs;

WHEREAS, the Advisory Committee on Administrative Law held one public hearing at which all interested parties could present their views concerning the proposed legislation; and

WHEREAS, it appears that additional time may be desirable for comprehensive review of the proposed legislation by all interested parties.

NOW, THEREFORE,

Be it resolved by the Senate of the Commonwealth of Kentucky:

That the Legislative Research Commission be and hereby is requested to continue the Advisory Committee on Administrative Law during the 1962-64 biennium for the purpose of distributing the proposed Kentucky Administrative Procedures Act to all interested parties, holding such public hearings as may be necessary, and making such modifications in the proposal as may be indicated.

Senator Garnett moved the adoption of **SR 74**. Agreed.

The Journals of the Senate were read and compared and approved by the Senate.

Senator Ware moved that the Senate adjourn sine die. Agreed.

The Senate adjourned sine die.

APPROVED:
Wilson W. Wyatt
President of the Senate

ATTEST:
John W. Willis
Chief Clerk of the Senate

VETO MESSAGES

(Spread Upon the Register of the Secretary of State After *Sine Die Adjournment*)

March 22, 1962

SB 36. I am vetoing Senate Bill 36 because the bill, by defining an emergency vehicle as including "any public vehicle," includes many vehicles which do not need the emergency priorities.

Bert Combs
Governor

March 22, 1962

SB 54. The objectives of Senate Bill 54 are sound and state government purchasing procedures presently favor the bidder using domestic materials on state contracts. The administrative cost of enforcing the provisions of this bill, however, would far exceed the advantage which might accrue to American manufacturers and producers. Therefore, I am constrained to veto Senate Bill 54.

Bert Combs
Governor

March 22, 1962

SB 66. I am vetoing Senate Bill 66.

Senate Bill 66 would exempt from all ad valorem property taxes a broad category of electronic equipment which would include many types of property other than television and radio equipment. It would seriously impair the tax revenues of cities, counties and school districts, and for this reason, I am vetoing Senate Bill 66.

Bert Combs
Governor

March 22, 1962

SB 251. I am vetoing Senate Bill 251 with reluctance. The bill in reality amounts only to an amendment to the 1960 Milk Marketing Act, and reflects the regulations that have been promulgated by the Milk Marketing Commission. The bill was enacted by the Legislature in an atmosphere of controversy and confusion amounting almost to hysteria. There have been many charges and countercharges by both sides. In my opinion, the bill is much better than is admitted by its opponents, and is probably not as good as is claimed by its proponents.

The 1960 Milk Marketing Act is a good piece of legislation. It is designed to prevent ruinous price wars and the dumping of milk on Kentucky markets at below-cost prices. We have lived and operated successfully for the past two years under the 1960 Act. The Act probably needs amendments to make it more effective. I am of the opinion, however, that if I should permit Senate Bill 251 to become law in the present atmosphere of hysteria and controversy which now surrounds it, it could well become another "Egg Law" or "Keeneland Race Track Bill." If the price of milk should be raised in the next two years, regardless of the cause, the blame for the increase would be placed upon this bill. If that should occur, the members of the 1964 Legislature would almost certainly come to Frankfort determined to repeal all of the Milk Marketing Act. That would be harmful to the dairy industry which is fast becoming one of Kentucky's best.

For the reasons stated, I am convinced that a veto of this bill is in the best interest of the dairy industry, the consumer, retailers, farmers, and processors, small and large.

In the meantime, I shall request the Milk Marketing Commission appointed pursuant to the 1960 Act to fully implement the Act by regulations. It is my opinion, the Commission can implement the Act almost as fully by regulations as has been attempted by the provisions of Senate Bill 251.

I shall also ask the Legislative Research Commission to make a thorough study of the 1960 Milk Marketing Act and to propose to the 1964 Legislature such amendments as are actually necessary to carry out the legislative intent.

Bert Combs
Governor

March 22, 1962

SB 292. I am vetoing Senate Bill 292.

If this bill were permitted to become law the method of collection of ad valorem property taxes in Jefferson County would be substantially different from every other county and the General Assembly should not confer local control over the collection of state taxes.

The bill is also vague and indefinite as to meaning and makes no provisions for the elaborate and costly administrative procedure that would be required to make it workable.

Best Combs
Governor

March 22, 1962

SB 327. I am vetoing Senate Bill 327.

While the purposes of the sponsor of the bill were admirable, the proposed law, as drafted, goes beyond the objectives of the sponsor and would permit minors, even twelve year olds, to work in establishments which sell alcoholic beverages and in hazardous and injurious occupations.

Bert Combs
Governor

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HISTORY OF SENATE BILLS

Numbers refer to page of Senate Journal. The text of bill is given on 1st reading. The names of sponsors are in parentheses; when a bill has more than two sponsors only the first is listed in this history, but all sponsors are listed when a bill is introduced.

SB	1	Reclassifies Hindman from the sixth to the fifth class of cities. (Martin)
SB	2	Denies civil rights to persons adjudged to be Communists. (Johnson and others)
SB	3	Exempts food, medicine and charitably purchased property from the sales tax. (Gardner)
SB	4	Changes date of child's sixth birthday as affecting school entrance. (Bishop)
SB	5	Includes school administrative personnel in teachers' sick leave provisions. (Bishop)
SB	6	Restricts municipal incorporation near cities of the first or second classes. (Garnett)
SB	7	Revises garnishment and attachment exemption provisions. (McCann)
SB	8	Changes date for primary elections. (Bishop)
SB	9	Limits absent voting to members of armed forces. (Martin)
SB	10	Authorizes state compensation for municipal police officers. (Garrett)
SB	11	Extends time for filing veterans bonus applications. (Howard and others)
SB	12	Limits absent voting to military personnel, students and sick persons. (Kelly)
SB	13	Permits circuit judges to extend term of court. (Kelly)
SB	14	Provides annual compensation for master commissioners of circuit courts. (Bishop)
SB	15	Provides penalty of life imprisonment without parole for capital crimes. (Duffy and others)
SB	16	Changes date for primary elections. (McCann)
SB	17	Increases Commonwealth's Attorney assistants in counties of over 200,000. (Duffy and others)
SB	18	Increases Commonwealth's Attorney stenographers in counties of over 200,000. (Duffy and others)
SB	19	Prohibits use of chemicals injurious to plant life on highways. (Bishop)
SB	20	Authorizes an additional judge for the Sixteenth Circuit Court District. (Ware)
SB	21	Allows partnerships to sue or be sued. (Ware)
SB	22	Names Workmen's Compensation Board as respondent in circuit court reviews. (Ware)

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 1	17	61	70	70	74	76			
SB 2	18	61	785	785	810	1035			
SB 3	18	61	137						141
SB 4	18	61	72	72	75	84	1038	1079	
SB 5	18	61	155	155	161	195	1038	1079	
SB 6	22	61	83	83	122	131			
SB 7	22	61							162
SB 8	22	61							
SB 9	41	61							
SB 10	41	61							
SB 11	41	61							
SB 12	41	61							
SB 13	41	61	79	80	122	130	812	897	
SB 14	41	61							
SB 15	60	61							
SB 16	60	61							
SB 17	60	61	73	74	75	84	1286	1407	
SB 18	60	61	73	73	75	85	812	897	
SB 19	60	61							
SB 20	60	61							
SB 21	60	61							
SB 22	60	61	79	81	122	130	645	655	

SB	23	Removes authority for surface drain determination by metropolitan sewer districts. (Miller, McGinty)
SB	24	Authorizes treatment of small businesses as corporations for income tax purposes. (Miller, McGinty)
SB	25	Permits facsimile signature of credit instruments of certain organizations. (Hehl)
SB	26	Removes limit on salaries of local government employees. (Kinkead and others)
SB	27	Limits inspection of parental rights case files to specified persons. (Miller)
SB	28	Includes chiropractic treatment expense in Workmen's Compensation. (Buckman)
SB	29	Changes date for primary elections. (Buckman)
SB	30	Requires safety belt attachments on new motor vehicles. (McCann)
SB	31	Authorizes creation of horizontal property regimes. (Miller)
SB	32	Removes rate limits on occupational tax in cities of the first class. (Kelly)
SB	33	Credits certain occupational tax revenues to sinking fund of cities of the first class. (Miller, McGinty)
SB	34	Authorizes planting of trees along highways and sale of resulting lumber. (Garnett)
SB	35	Provides penalty of life imprisonment without parole for 20 years for capital crimes. (Overbey, Duffy)
SB	36	Includes emergency vehicles in traffic regulation provisions. (Overbey)
SB	37	Increases fee for grand and petit jurors in circuit courts. (Bishop)
SB	38	Removes license tax in cities of the first class. (Bonn)
SB	39	Removes occupational tax in counties with 300,000 population. (Bonn)
SB	40	Prohibits motor vehicle operation while under amphetamine drug influence. (McCann)
SB	41	Adds a dentist to city-county health boards. (Duffy and others)
SB	42	Authorizes lien for charges on stored or towed vehicles. (Duffy)
SB	43	Requires two luminous license plates on motor vehicles. (McCann)
SB	44	Reclassifies Campbellsville from the fifth to the third class of cities. (Hickerson)
SB	45	Prohibits purchase of over four ounces of codeine in 24 hours. (Ware)
SB	46	Adds a dentist to health boards of counties containing a city of the second class. (Ware)

	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	House Message	Enrolled	Other Action
SB 23	60	61							
SB 24	60	61	419	419	457	639			
SB 25	60	61	82	82	122	130	1286	1407	
SB 26	60	61	72	72	75	84	645	655	
SB 27	60	61	79	80	122	130	1414	1435	1421
SB 28	61	65							
SB 29	61	65							
SB 30	61	65	160	161	194	400	1038	1079	
SB 31	61	65	684	684	810	1033	1286	1407	
SB 32	61	65							
SB 33	61	65	781	781	810				
SB 34	61	65	121	122	129	138	1414	1422	
SB 35	63	65	203	204	408	458			
SB 36	63	65	159	159	194	400	1038	1079	1450
SB 37	64	76							
SB 38	64	76	910	967	1054				
SB 39	64	76	1039	1039	1075				
SB 40	64	76							
SB 41	66	76							
SB 42	66	76	79	79	122	129	593	655	633
SB 43	66	76							
SB 44	66	76	123	123	134	147	1038	1079	
SB 45	66	76	124	125	134	139	196	402	
SB 46	66	76	132	132	138	143	196	402	

SB	**47**	Authorizes establishment of sanitation districts in any county. (Ware)
SB	**48**	Authorizes request of unclaimed dead bodies by medical institutions. (Ware)
SB	**49**	Requires name and address of physician on prescription labels. (Ware)
SB	**50**	Limits absent voting to members of armed forces and students. (Ware)
SB	**51**	Decreases salary of constables in counties with over 250,000 population. (Bishop)
SB	**52**	Permits court order of title insurance on property conveyed under court order. (Garnett)
SB	**53**	Allows prior service credit to public employees under retirement systems. (Buckman)
SB	**54**	Requires use of domestic materials on public works. (Gardner)
SB	**55**	Requires payment of plaintiff's attorney fees by defendant. (Kelly)
SB	**56**	Requires semimonthly pay period for state employees. (Edwards)
SB	**57**	Removes medical examination requirement for marriage license to older persons. (Raney)
SB	**58**	Authorizes impounding of accident-involved vehicles pending proof of financial responsibility. (McCann)
SB	**59**	Proposes constitutional amendment to prohibit denial of rights because of sex. (Johnson)
SB	**60**	Prohibits private reproduction of state seal without approval. (Ware)
SB	**61**	Provides payment to jailers for keeping military prisoners. (Ware)
SB	**62**	Permits acknowledgment of certain instruments by military officers. (Ware)
SB	**63**	Requires licensing of lie detector operators. (Ware)
SB	**64**	Prohibits fictitious crime reports. (Ware)
SB	**65**	Revises city policemen's retirement provisions. (Kelly)
SB	**66**	Includes broadcasting equipment in property subject to taxation. (Overbey)
SB	**67**	Creates a Board of Boiler Rules. (Raney and others)
SB	**68**	Permits adoption of city codes by reference without publication. (Conley, Hehl)
SB	**69**	Authorizes loans for higher education by the Council on Public Higher Education. (Miller)
SB	**70**	Extends covered employment provisions under unemployment compensation. (Ware)

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 47	66	76	370	376	408	468	1327	1407	
SB 48	66	76	1108	1108	1232	1277	1414	1422	
SB 49	66	76	124	125	134	139	196	402	
SB 50	66	76							
SB 51	66	76							
SB 52	66	76	1039	1042	1075	1279			
SB 53	72	76							
SB 54	72	76	194, 578	578	587	786	1286	1407	194 1450
SB 55	72	76	1108	1138	1232	1282	1435		1435, 1445
SB 56	72	76	200	200	408	581			
SB 57	72	76	129						
SB 58	72	76							
SB 59	75	122							
SB 60	75	122	143						
SB 61	75	122	771	772	810	1031	1406	1415	
SB 62	75	122	506	517	587	665	1106	1160	
SB 63	75	122	370	370	408	583	1038	1079	
SB 64	75	122	910	910	1054				
SB 65	75	122							
SB 66	76	122	557	557	587	667	1286	1407	1318 1450
SB 67	76	122							
SB 68	77	122	197	197	408	457	1155	1160	
SB 69	77	122							
SB 70	77	122	506	509	587	664	1106	1160	

SB	71	Requires submission of title to contraband beverages to the Alcoholic Beverage Control Board. (Ware)
SB	72	Permits production of goods for use or sale by inmates of institutions for the retarded. (Ware)
SB	73	Requires a new bank to begin operation within one year after receipt of charter. (Ware)
SB	74	Deletes provision on corporate shares as principle of estate or trust held by Kentucky fiduciary. (Ware)
SB	75	Increases minimum surplus required of financial institutions starting business. (Ware)
SB	76	Deletes prior claim of estate beneficiaries against banks or trust companies. (Ware)
SB	77	Deletes requirement that banks not close any other day of week with a holiday. (Ware)
SB	78	Allows presentation of papers for payment to banks on next business day following a Sunday holiday observed on the following day. (Ware)
SB	79	Specifies minimum crews on railroad trains. (Kiser)
SB	80	Requires extra brakeman on railroad trains of over 180 cars. (Kiser)
SB	81	Requires re-registration of all voters. (White)
SB	82	Authorizes establishment of mosquito control districts. (Nichols and others)
SB	83	Creates an Elevator Safety Board. (McCann)
SB	84	Creates a State Board of Examiners for Shorthand Reporters. (Duffy)
SB	85	Changes due date for submission of statements of insurance business to the Commissioner of Insurance. (Duffy)
SB	86	Requires licensing of private business schools. (Duffy)
SB	87	Expands definition of county roads and bridges to include right of way thereto. (Ware)
SB	88	Authorizes transfer of excess State Fire and Tornado funds to the Capital Construction Fund. (Ware)
SB	89	Authorizes state purchase of industrial access road right of way. (Ware)
SB	90	Requires forwarding fee upon issuance of a marriage license. (Ware)
SB	91	Authorizes designation by purchaser of denomination of public securities. (Ware)
SB	92	Increases minimum limits for automobile liability insurance. (Ware)
SB	93	Eliminates the office of city attorney in cities of the first class. (Miller)
SB	94	Removes authority for annexation of territory by certain cities of the third class. (Garnett)

	Introduced	Referred	Reported	Readings 1st	2nd	3rd	House Message	Enrolled	Other Action
SB 71	77	122	793	794	827	1056	1286	1407	
SB 72	77	122	407	407	457	470	1106	1160	
SB 73	77	122	207	207	408	458			
SB 74	77	122	211	214	408	460	1387	1415	
SB 75	77	122	207	208	408	458	1387	1415	
SB 76	77	122	207	208	408	458	1387	1415	
SB 77	77	122	207	209	408	459	1387	1415	
SB 78	77	122	209	209	408	459			
SB 79	77	122	656						
SB 80	77	122	656						
SB 81	77	122	601	602	632	788			812
SB 82	77	122	159						162
SB 83	86	135							
SB 84	86	135	370	377	408	469			
SB 85	86	135	427	427	457	590	1286	1407	
SB 86	86	135	370	379	408	583	1038	1079	469
SB 87	86	135	558	558	587	667	1106	1160	
SB 88	86	135	417	417	457	585	812	897	
SB 89	86	135	558	559	587	667	1155	1160	
SB 90	86	135	506	516	587	665	1106	1160	
SB 91	86	135	211	211	408	459	812	910	897
SB 92	86	135	417	418	457	589	1106	1160	
SB 93	86	135	506	516	587				
SB 94	86	135	196						

SB 95	Authorizes guaranteed arrest bond in lieu of bail for certain traffic violations. (Kelly)
SB 96	Authorizes reimbursement for expenses of Workmen's Compensation Board members. (Garrett)
SB 97	Regulates installment sales contracts. (Duffy)
SB 98	Authorizes payment to Road Fund of motor vehicle registration penalties. (Kelly)
SB 99	Grants preference to members of armed forces on civil service examinations. (White)
SB 100	Revises bank installment loan provisions. (Ware)
SB 101	Permits licensed physicians to practice in publically supported hospitals. (McCann)
SB 102	Deletes requirement that claim of re-employed Workmen's Compensation claimants be paid from the Subsequent Injury Fund. (Raney and others)
SB 103	Requires display of United States flag on all state-owned buildings. (Johnson and others)
SB 104	Amends sections of the Kentucky Revised Statutes to clarify conflicting provisions. (Ware)
SB 105	Makes attendance mandatory at schools for the blind by blind persons. (Johnson)
SB 106	Changes annual meeting date of tax supervisors in cities of the fourth class. (Derickson)
SB 107	Appropriates funds for county roads and bridges. (Kiser and others)
SB 108	Authorizes credit for military duty under State Police Retirement System. (Buckman)
SB 109	Redistributes sales tax revenue to cities. (Howard)
SB 110	Requires written cost estimates by television repairmen. (McCann)
SB 111	Creates an Arts and Crafts Loan Fund Board. (Craft)
SB 112	Includes needy deaf and dumb persons eligible for public assistance. (Bishop)
SB 113	Establishes a University of Kentucky Community College System. (Ware and others)
SB 114	Permits 24-hour confinement of alleged felons. (Ware, Hehl)
SB 115	Permits civil service examinations without public notice to city employees. (Ware)
SB 116	Authorizes sales to employees and charitable associations by malt beverage distributors. (Ware)
SB 117	Establishes industrial loan company organization requirements. (Ware)

	Introduced	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	House Message	Enrolled	Other Action
SB 95	87	135							
SB 96	87	135	370	376	408	468			
SB 97	123	139	546	546	587	666	1286	1407	
SB 98	123	139	506	506	587	663			
SB 99	123	139	370	396	408	584			
SB 100	123	139	483	483	579	603	1038	1079	
SB 101	132	157							
SB 102	132	157							
SB 103	132	157							
SB 104	132	157	506	518	587	666	1435	1442	
SB 105	132	157	1245	1251	1274	1321			
SB 106	132	157	772	772	810	898			
SB 107	132	157							1257
SB 108	132	157	834	880	1031				
SB 109	132	157							
SB 110	136	157							
SB 111	136	157	164	164	400	427	645	655	
SB 112	136	157							
SB 113	136	157	505	505	587				786
SB 114	136	157							
SB 115	136	157	197	197	408	457	1286	1407	1319
SB 116	136	157	793	793	827	899	1414	1422	
SB 117	136	157	474	474	579	594	1038	1442	1054 1106 1163 1419 1438

SB 118	Revises child welfare provisions. (Ware)
SB 119	Revises juvenile court provisions. (Ware)
SB 120	Revises National Guard provisions. (Ware)
SB 121	Revises Kentucky Active Militia provisions and provides Workmen's Compensation therefor. (Ware)
SB 122	Authorizes loans to local airports by the Industrial Development Finance Authority. (Ware)
SB 123	Requires sanitation and shelter facilities for railroad personnel. (Kiser)
SB 124	Requires statements for debtors containing loan term information. (White, Raney)
SB 125	Prohibits disclosure of privileged information by employees. (Kinkead)
SB 126	Permits certification of teachers' illness by chiropractors. (Mann)
SB 127	Establishes licensing provisions for horse race betting outside tracks. (McCann)
SB 128	Excludes water trapped by flood retarding structures from definition as public water. (Ware)
SB 129	Removes limit on tax which may be levied to establish a public library district. (Ware)
SB 130	Requires countersignature of insurance policies written by nonresident agents. (Ware)
SB 131	Authorizes jailer's fee for imprisoning parole violators. (Ware)
SB 132	Provides penalties for incitement of riots by prisoners. (Ware)
SB 133	Requires written examinations for insurance agents. (Ware)
SB 134	Permits military leave without loss of benefits or compensation for public employees. (Ware)
SB 135	Makes paroled prisoners answerable to the parole board and the Division of Probation and Parole. (Ware)
SB 136	Establishes parole eligibility requirements for certain prisoners. (Ware)
SB 137	Establishes mortgage guaranty insurance provisions. (Ware)
SB 138	Revises motor vehicle registration provisions. (Hehl and others)
SB 139	Adopts the Uniform Acknowledgment Act. (Buckman)
SB 140	Permits "pour-over" trusts, and authorizes amendment of trusts after execution of will. (Buckman)
SB 141	Creates an Unsatisfied Claim and Judgment Fund Board in the Department of Public Safety. (Duffy)
SB 142	Vests boiler safety regulatory authority in the Commissioner of Public Safety. (Swope)

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 118	136	157	596	596	632	787, 1075	1286	1407	787
SB 119	136	157	409	409	457	585	1286	1407	
SB 120	136	157	370	385	408	583	812	897	
SB 121	136	157	370	394	408	584	812	897	
SB 122	136	157	211	212	408	460	812	897	
SB 123	136	157	656						
SB 124	136	157							
SB 125	136	157	788	788	810	1057	1406	1415	
SB 126	137	157	579						638
SB 127	142	157							
SB 128	144	195	242	282	408	465	1106	1160	
SB 129	144	195	242	282	408	466	812	897	
SB 130	144	195	242	283	408	587	1038	1079	
SB 131	144	195	242	283	408	466	1038	1079	
SB 132	144	195	242	285	408	467	812	897	
SB 133	144	195	242	286	408	467	812	897	
SB 134	144	195	242	288	408	467	812	897	
SB 135	144	195	242	289	408	582	1038	1079	
SB 136	144	195	242	290	408	582	1106	1257	1163
SB 137	144	195	242	291	408	582	812	897	
SB 138	145	195	910	910	1054				
SB 139	145	195	242	293	408	587			
SB 140	145	195	242	304	408	588			
SB 141	145	195							
SB 142	145	195	242	304					402

SB 143	Prohibits transportation by rail of motor vehicles movable on highways. (Duffy, Howard)
SB 144	Requires acceptance of bids of residents on public contracts, within specified limit. (McCann)
SB 145	Revises strip mining regulation provisions. (Ware)
SB 146	Adopts amendments to the Uniform Commercial Code. (Garnett)
SB 147	Revises term of imprisonment for escaped prisoners. (Howard)
SB 148	Permits constables the same fees chargeable by sheriffs for like services. (Martin)
SB 149	Authorizes issuance of limited fishing license. (Mann, Fuqua)
SB 150	Requires notice of license expiration date to motor vehicle operators. (Mann)
SB 151	Requires proof of financial responsibility prior to motor vehicle registration. (Mann)
SB 152	Revises egg marketing license provisions. (Palmer)
SB 153	Reorganizes the agencies and administration of state government. (Ware and others)
SB 154	Requires annual motor vehicle safety inspections. (Duffy)
SB 155	Permits interchange of service credit among public retirement systems. (Buckman)
SB 156	Establishes a formula for allocation of rural and secondary road funds. (Blue and others)
SB 157	Prohibits operation of motor vehicles by persons under 18, unless equipped with speed governor. (McCann)
SB 158	Requires screening of junkyards within 2,000 feet of highways. (Kelly, Howard)
SB 159	Revises provisions on prevailing wages for public works. (Kelly)
SB 160	Permits appointment of assistant Commonwealth's Attorney in certain counties. (Kinkead)
SB 161	Limits loans to business development corporations. (Ware)
SB 162	Establishes educational program for exceptional children. (Nichols and others)
SB 163	Authorizes specified maximum length for trucks carrying specified products. (Ware)
SB 164	Guarantees right of inspection of public records. (Ware)
SB 165	Prohibits deceptive or misleading advertising. (Ware)
SB 166	Permits indication of totals only on financial statements of certain public officers. (Ware)
SB 167	Removes salary limit for local health department physicians. (Ware)
SB 168	Authorizes training programs for specified state personnel. (Ware)

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 143	145	195	656	656	786				
SB 144	145	195	1083	1098	1153	1275			
SB 145	145	195	486	486	579	662	1286	1407	
SB 146	145	195	242	319	408	467	1038	1079	1055
SB 147	145	195	407	407	457	584			
SB 148	153	401	1108	1152	1232				
SB 149	153	401							
SB 150	153	401							
SB 151	153	401	827						
SB 152	153	401	403	403	457				
SB 153	153	195	242	339	408	588	1106	1257	1162
SB 154	153	401	762	762	810	900			
SB 155	153	401	643	643	660	831	1286	1407	
SB 156	153	401	558	559	587	668	1106	1160	
SB 157	158	401							
SB 158	158	401							
SB 159	158	401							
SB 160	158	401	506	516	587	665			
SB 161	158	401	495	495	579				
SB 162	158	401	496	496	579	646	1106	1160	
SB 163	162	428	793	793	827	899	1286	1407	
SB 164	162	428	444	444	465	590			
SB 165	162	428	444	446	465	662			
SB 166	162	428	444	448	465	590	1286	1407	
SB 167	162	428	444	448	465	591	1038	1079	
SB 168	162	428	444	449	465	591	1038	1079	

SB 169	Authorizes use of additional voting machines in any precinct. (Ware)
SB 170	Authorizes expenditure of education funds for sending deaf-blind pupils to proper institution, in or out of state. (Ware)
SB 171	Requires fiscal court purchases to be on lowest and best bid. (Ware)
SB 172	Requires purgation notification by registration commissioners in cities of the first class. (Ware)
SB 173	Specifies lot determination of names on ballot under city manager government. (Ware)
SB 174	Requires newspaper publication of ballot or voting machine face. (Nichols)
SB 175	Allows additional lien on assigned business property. (Nichols and others)
SB 176	Requires grading of strip mining overburden in certain cases. (White)
SB 177	Considers means of liable supporters of public assistance recipients in determining resources of applicants. (Bishop, Fuqua)
SB 178	Permits net operating loss deduction in definition of income for tax purposes. (Miller, McGinty)
SB 179	Requires all employers to provide employees with statement of wage deductions. (Raney, Turner)
SB 180	Revises provisions concerning payment of wages to employees. (Raney, Turner)
SB 181	Increases penalty for traffic in obscene literature. (Kinkead)
SB 182	Changes names of certain state administrative departments. (Raney, Buckman)
SB 183	Imposes regulations on private employment agencies. (Raney, Buckman)
SB 184	Limits hours of police and firemen in cities of the third class. (Blue)
SB 185	Authorizes removal of school superintendents by a vote of three education board members. (Martin)
SB 186	Limits number of referees employed by the Workmen's Compensation Board. (Martin)
SB 187	Exempts school supplies from the sales tax. (Johnson)
SB 188	Authorizes retirement for teachers past age 70 with service before July 1, 1940. (Bishop)
SB 189	Requires that all court trials be open to the press, radio and television. (McCann)
SB 190	Grants survivor of decedent spouse an estate in fee of all surplus real estate seized of an estate in fee simple at time of death. (Martin)

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 169	162	428	444	450	465	591	1038	1079	
SB 170	162	428	444	451	465	592	1038	1079	
SB 171	163	428	444	452	465	593			
SB 172	163	428	444	452	465	593			
SB 173	163	428	444	453	465	593	1038	1079	
SB 174	163	428	910	983	1054	1238	1435	1442	
SB 175	163	428	769	769	810	1034			
SB 176	163	428							
SB 177	163	428							
SB 178	163	428							
SB 179	163	428							
SB 180	163	428							
SB 181	196	585	594	594	632	787			
SB 182	196	585	834	886	1031	1236	1414	1422	
SB 183	196	585	910	918	1054				
SB 184	196	585							
SB 185	196	585							
SB 186	196	585							
SB 187	196	585							
SB 188	196	585	1061	1074	1098	1241	1327	1407	1327
SB 189	196	585							
SB 190	402	585							

SB 191	Permits Workmen's Compensation appeals to be advanced on Court of Appeals docket without motion or notice. (Martin)
SB 192	Increases circuit clerk's fee for felony case prosecutions. (Martin)
SB 193	Authorizes establishment of city commissions on human rights. (Ware)
SB 194	Revises provisions concerning the Department of Industrial Relations. (Raney)
SB 195	Revises Workmen's Compensation Provisions. (Raney and others)
SB 196	Revises provisions concerning the employment of females. (Raney)
SB 197	Authorizes state maintenance of entrances to educational or charitable institutions in unincorporated areas. (Bishop)
SB 198	Reclassifies Manchester from the fifth to the fourth class of cities. (Bishop)
SB 199	Revises egg marketing license provisions. (Bishop)
SB 200	Authorizes counties and cities to condemn land within or without their territorial limits. (Kinkead)
SB 201	Specifies prohibitions against discrimination by lenders between insurance firms when property is mortgaged. (Bonn)
SB 202	Proposing extraordinary sessions of General Assembly every fourth year. (Johnson)
SB 203	Reclassifies Flemingsburg from the fifth to the fourth class of cities. (Kelly, Howard)
SB 204	Appropriates funds to expand Kentucky Training Home facilities. (Kelly, Howard)
SB 205	Appropriates funds to expand Kentucky Village facilities. (Kelly, Howard)
SB 206	Authorizes retention of residence in county of former residence until eligible to vote in county of new residence. (Bishop)
SB 207	Reduces number of persons required to form a business development corporation. (Johnson, Swope)
SB 208	Deletes formula for determining allotment for current expenses under school foundation program. (Johnson and others)
SB 209	Includes specified workers in the state employees' merit system. (Johnson and others)
SB 210	Requires formula for return of funds paid state by counties to counties. (Johnson and others)
SB 211	Revises provisions concerning the Kentucky Historical Society. (Garnett and others)

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 191	402	585	602	602	632	789	1106	1160	
SB 192	402	585							
SB 193	402	585	671	671	810	899	1406	1415	1406
SB 194	402	585	1108	1124	1232				1407
SB 195	403	585							
SB 196	403	585	1039	1040	1075	1104			1105 1234
SB 197	403	585							
SB 198	403	585							
SB 199	429	585							
SB 200	429	585	910	982	1054	1242	1387	1415	
SB 201	459	585	649	649	660	832, 1031			832 1055
SB 202	460	585							
SB 203	460	585							
SB 204	460	585							
SB 205	460	585	1083	1095	1153				
SB 206	464	585							
SB 207	470	585							
SB 208	470	585							
SB 209	470	585							
SB 210	470	585							
SB 211	473	604	799	803	827	1032	1387	1415	

SB 212	Makes property owners in any city responsible for sidewalk repair. (Garnett)
SB 213	Prohibits minors from disaffirming contracts made in their behalf. (Garnett)
SB 214	Adopts amendments to the Uniform Enforcement of Support Act. (Garnett)
SB 215	Amends the Uniform Principal and Income act relative to probate income. (Garnett)
SB 216	Permits denial of right of prisoners to earn good time, for specified causes. (Ware)
SB 217	Authorizes citation of boating offenders before magistrate of appropriate county. (Ware)
SB 218	Excludes specified property from definitions relating to escheats. (Ware)
SB 219	Revises provisions on prevailing wages for public works. (Ware)
SB 220	Extends medical care benefits to include chiropractic services. (Mann)
SB 221	Requires fire insurance premium decrease in accordance with depreciation. (Mann)
SB 222	Requires credit to county of certain city occupational tax revenues only if support of joint city-county agencies is pledged. (Miller, McGinty)
SB 223	Requires immunization of children against certain communicable diseases. (Swope)
SB 224	Revises county planning commission provisions. (Kinkead and others)
SB 225	Removes salary limits on school officers and employees. (Ware)
SB 226	Requires Railroad Commission protection of railroad employees affected by its orders. (Kiser)
SB 227	Proposes constitutional amendment concerning the election of county officials. (Bishop)
SB 228	Designates county health boards as bodies corporate. (Turner)
SB 229	Revises planning and zoning provisions for cities of the second through sixth classes. (Kelly and others)
SB 230	Removes provision for assessment of insurance company stockholders when capital is impaired. (Duffy)
SB 231	Revises Workmen's Compensation provisions. (Ware)
SB 232	Revises Constitution Revision Committee provisions. (Ware)
SB 233	Increases motor boat registration fee. (Ware)
SB 234	Increases motor vehicle operator's license fee. (Ware)
SB 235	Increases maximum salaries of deputy circuit court clerks. (Ware)

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 212	473	604	910	971	1054				
SB 213	473	604	834	888	1031	1236			
SB 214	473	604	834	890	1031	1236			
SB 215	473	604	910	972	1054	1080			
SB 216	473	604	689	689	810	1240	1327	1407	
SB 217	473	604	689	691	810	1033	1387	1415	1412
SB 218	473	604	799	800	827	1032	1327	1407	
SB 219	473	604	620	627	644	653	1327	1415	1386
SB 220	473	604	656	657	786				
SB 221	473	604	813						
SB 222	474	604	772	773	810	1280			
SB 223	474	604							
SB 224	474	604	772	774	810	1237	1438	1442	
SB 225	504	652	799	800	827	1032	1286	1407	
SB 226	504	652							
SB 227	504	652							
SB 228	504	652							
SB 229	504	652	813	813	897				1057
SB 230	586	810	813	817	897	1035	1414	1435	
SB 231	586	652	689	708	810				
SB 232	586	810	834	834	1030	1100	1327	1407	
SB 233	586	810	834	837	1030	1387			
SB 234	586	810	1108	1138	1232				1407
SB 235	586	810	834	837	1030	1101	1438	1442	

SB 236	Authorizes a fee to circuit clerks for processing alcoholism commitment applications. (Ware)
SB 237	Requires referendum on calling a convention for constitutional revision. (Ware)
SB 238	Increases membership of the Council on Public Higher Education. (Ware)
SB 239	Requires licensing of pharmacy operators. (Ware)
SB 240	Increases expenditure necessary to define a project as public works construction. (Raney)
SB 241	Declares effective date of Commonwealth's Attorneys participation in State Employees Retirement System. (Buckman)
SB 242	Revises teachers retirement provisions. (Johnson)
SB 243	Terminates mineral rights after 5 years from date of conveyance. (Mann)
SB 244	Revises garnishment exemption provisions. (McCann)
SB 245	Removes penalties for conflict of interest violations. (McCann)
SB 246	Makes preservation of archaeological sites and artifacts a public policy. (Kinkead)
SB 247	Stipulates that claims against the state be governed by law in effect when cause of action accrued. (Duffy)
SB 248	Allows the Department of Personnel to establish compensation of state-employed physicians. (Ware)
SB 249	Revises provisions on Water Pollution Control Commission hearings. (Ware)
SB 250	Authorizes teachers to reduce salaries or forego increases for payment to retirement fund. (Ware)
SB 251	Revises milk marketing provisions. (Ware)
SB 252	Deletes minimum value of property assessment necessary for appointment of deputy county tax commissioners. (Bishop)
SB 253	Requires reimbursement of deceased sheriff's estate for specified expenses. (Blue, Nichols)
SB 254	Deletes provision that specified teachers must have reached age 60 for retirement. (Bishop)
SB 255	Stipulates that specified motor carrier contracts exempt from filing requirements. (Duffy)
SB 256	Authorizes issuance of municipal bonds to finance colleges. (Garrett)
SB 257	Redefines "needy aged" under public assistance provisions. (Johnson)
SB 258	Authorizes zoning enforcement officers in cities of the second class. (Ware)
SB 259	Extends territorial jurisdiction of planning commissions in cities of the second class. (Ware)

	Intro-duced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 236	586	810	834	839	1030	1101	1414	1422	
SB 237	586	810	834	839	1030	1099	1327	1407	
SB 238	586	810							
SB 239	587	810	910	932	1054	1101			
SB 240	587	810							
SB 241	587	810	834	895	1031	1258			
SB 242	587	810	1061	1072	1098				
SB 243	587	810							
SB 244	587	810							
SB 245	605	810	1108	1132	1232				
SB 246	605	810	1164	1193	1256				
SB 247	605	811	1083	1095	1153	1326			
SB 248	605	810	834	841	1030				
SB 249	605	810	834	841	1030	1058	1327	1407	
SB 250	605	810	834	842	1030				
SB 251	605	810	834	843	1030	1158	1438	1442	1439 1450
SB 252	605	810							
SB 253	605	810	834	886	1031				
SB 254	637	810							
SB 255	637	810	834	881	1031	1322			1322
SB 256	637	671	689	739	810	898	1286	1407	1317
SB 257	637	810							
SB 258	642	810	834	854	1030	1239			
SB 259	642	810	834	855	1030				1240

SB 260	Authorizes planning commissions for unincorporated areas in counties containing a city of the second class. (Ware)
SB 261	Authorizes planning commissions to determine area included in a city. (Ware)
SB 262	Permits city councils to cooperate with colleges on urban renewal projects. (Ware)
SB 263	Revises homes for the aged licensing provisions. (Ware)
SB 264	Permits appointment of all employees by the University of Kentucky Board of Trustees. (Ware)
SB 265	Proposes constitutional amendments concerning the Superintendent of Public Instruction. (Ware)
SB 266	Proposes constitutional amendment to increase number of amendments to be voted upon at one time. (Ware)
SB 267	Revises design and material of the official State Flag. (Ware)
SB 268	Prohibits discrimination by distillers among wholesalers of alcoholic beverages. (Ware)
SB 269	Establishes minimum compensation payable to guardians of veterans. (Ware)
SB 270	Revises civil service provisions for cities of the second and third classes. (Ware, Gardner)
SB 271	Authorizes reprimand and suspension of firemen by chiefs in cities of the second and third classes. (Ware, Gardner)
SB 272	Establishes a Continuing Committee on Governmental Affairs of the General Assembly. (Kelly)
SB 273	Permits branch banks in counties adjacent to county of location. (Kelly)
SB 274	Permits joint exercise of powers by public agencies. (Kinkead)
SB 275	Designates the Pioneer Playhouse as the State Theatre of Kentucky. (Swope)
SB 276	Authorizes and appropriates funds for occupational qualification development. (Garrett)
SB 277	Revises provisions concerning the regulation of watchmakers. (McCann)
SB 278	Gives free space for reply to persons aggrieved by articles or cartoons in newspapers. (Logan)
SB 279	Revises provisions on prevailing wages for public works projects. (Howard)
SB 280	Revises provisions on industrial subdivision projects and the financing thereof. (Craft)
SB 281	Authorizes parole for persons convicted of misdemeanors. (Buckman)
SB 282	Requires conversion to manual operation of electrically operated voting machines. (Buckman)

	Intro-duced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 260	642	810	834	855	1030				1240
SB 261	642	810	834	855	1030				1240
SB 262	642	810	910	936	1054				
SB 263	642	810	834	856	1030	1058	1286	1407	
SB 264	642	810	834	860	1030				
SB 265	642	810	834	861	1030	1100			1320
SB 266	642	810	834	862	1030	1100	1327	1407	
SB 267	642	810	834	864	1030	1059	1286	1407	
SB 268	642	810							
SB 269	642	811							
SB 270	642	811							
SB 271	643	811							
SB 272	643	811							
SB 273	643	811							
SB 274	643	810	1108	1134	1232	1277	1414	1435	
SB 275	643	811	834	887	1031	1058	1286	1407	1317
SB 276	643	671	689	740	810	828	1106	1160	
SB 277	643	810	834	883	1031	1104			
SB 278	643	811							
SB 279	643	811							
SB 280	650	810	834	865	1030	1056	1286	1407	
SB 281	655	810	1061	1069	1098	1259	1435	1442	1435
SB 282	655	810	1083	1091	1153				

SB 283	Limits penalty for banding together by persons to intimidate others. (Buckman)
SB 284	Permits payment of court costs by the state in actions to which it is a party. (Ware)
SB 285	Creates water district boards of commissioners. (Garnett, Conley)
SB 286	Defines public utilities as cities as well as persons. (Miller)
SB 287	Deems as collected specified payments to fiduciaries and withheld for income tax purposes. (Ware)
SB 288	Includes city-county health employees in State Employees Retirement Syetem. (Duffy, McGinty)
SB 289	Redistricts the Commonwealth into seven Congressional Districts. (Ware and others)
SB 290	Permits cities to acquire or improve lands suitable for governmental agencies. (Ware)
SB 291	Permits cities to sell their surplus real property. (Miller, McGinty)
SB 292	Permits tax payment on monthly, quarterly or semiannual basis in counties containing a city of the first class. (Miller, McGinty)
SB 293	Prohibits cities from imposing a license tax on weight-taxed motor vehicles. (Miller, McGinty)
SB 294	Creates a State Board of Chiropractic Examiners. (Mann)
SB 295	Requires the Attorney General to investigate unsatisfied claims. (Ware)
SB 296	Permits County and Commonwealth's Attorneys to request criminal investigation assistance from the Attorney General. (Ware)
SB 297	Requires the Attorney General to investigate unsatisfied claims. (Ware)
SB 298	Requires endorsement of written political matter by organization so issuing. (Kinkead, Howard)
SB 299	Authorizes eviction of property owners from land condemned for construction purposes. (Duffy)
SB 300	Requires licensing of officers of funeral directing corporations. (Hehl)
SB 301	Authorizes preference to veterans on city civil service examinations. (Kelly)
SB 302	Removes restriction on time for holding school district bond issue elections. (Ware)
SB 303	Authorizes the Commissioner of Highways to increase motor vehicle speed limits. (Buckman)

	Intro-duced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 283	655	810	834	867	1030	1104	1435	1442	
SB 284	655	810	834	867	1030	1102	1406	1415	
SB 285	655	810	910	973	1054	1155	1286	1442	1318 1414 1416 1435
SB 286	655	811							
SB 287	655	810	834	867	1030	1157	1406	1415	
SB 288	670		834	868	1030	1157	1406	1415	
SB 289	670		834	895	1031				
SB 290	670	671	689	754	810	828	1106	1160	
SB 291	670		1108	1141	1232	1281			
SB 292	671		1061	1069	1098	1281	1438	1442	1439 1451
SB 293	671		1061	1070	1098				
SB 294	671		834	869	1030	1057	1387	1415	
SB 295	790								
SB 296	790								
SB 297	790								
SB 298	790		834	875	1031				1257 1407
SB 299	791		834	877	1031	1233	1406	1415	
SB 300	791								
SB 301	792		910	981	1054	1237			
SB 302	792		834	875	1031	1384	1438	1442	
SB 303	792		834	877	1031	1059	1286	1407	

SB 304	Permits sewer construction districts to issue apportionment warrants. (Buckman)
SB 305	Allows immediate communication by arrested persons. (Garrett)
SB 306	Prohibits disclosure of former convictions in felony cases. (Garrett)
SB 307	Requires trial court judge to fix punishment for capital crimes. (Garrett)
SB 308	Authorizes acquisition and development of sewage systems by water districts. (Buckman)
SB 309	Authorizes merger of city police and fire department functions. (Hickerson)
SB 310	Deletes license fee requirements for eligibility to bid on highway contracts. (Kinkead)
SB 311	Prohibits highway work beyond right of way limits. (Edwards)
SB 312	Deletes requirement that street construction by state be of the same material as used on highway. (Buckman)
SB 313	Increases limit on combined length of towed and towing vehicles. (White)
SB 314	Requires approval of commercial business schools by the Superintendent of Public Instruction. (McCann)
SB 315	Requires establishment of a maintenance fund for community mausoleums. (Duffy)
SB 316	Increases fees of peace officers for specified services. (Johnson)
SB 317	Increases tax collection commission for sheriffs. (Johnson)
SB 318	Increases mileage allowance for sheriffs. (Johnson)
SB 319	Increases sheriffs' fees for specified services. (Johnson)
SB 320	Increases sheriffs' maximum mileage allowance. (Johnson)
SB 321	Makes immoral practices with minors a felony. (Ware)
SB 322	Increases fees of circuit court reporters. (Nichols)
SB 323	Revises Civil Defense Agency provisions. (Ware)
SB 324	Revises atomic energy control provisions. (Ware)
SB 325	Permits imposition of city occupational taxes on state employees. (Ware)
SB 326	Creates the Kentucky Atomic Energy Authority. (Ware)
SB 327	Permits issuance of employment certificates to minors at age 12. (Kinkead)
SB 328	Allows certain circuit judges full service credit for portions of months of service. (Johnson)

	Intro-duced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 304	792		834	878	1031	1233	1414	1422	
SB 305	792		1245	1256	1274	1321	1438	1442	
SB 306	792		1083	1095	1153	1280			
SB 307	792								
SB 308	792		834	879	1031	1159	1327	1407	
SB 309	792								
SB 310	812		1083	1090	1153	1241	1406	1415	
SB 311	812		910	967	1054	1103	1414	1422	
SB 312	812		834	879	1031	1060	1286	1407	
SB 313	812		834	880	1031	1157	1406	1415	
SB 314	812								
SB 315	831		910	968	1054	1237			
SB 316	831								
SB 317	831								
SB 318	831								
SB 319	831								
SB 320	831								
SB 321	831		834	880	1031	1059	1414	1422	
SB 322	834		1108	1126	1232	1322	1438	1442	
SB 323	834		910	937	1054	1103	1327	1407	
SB 324	834		910	939	1054	1098	1327	1448	1387 1407 1422 1423 1446
SB 325	834		910	946	1054	1103	1286	1407	
SB 326	834		910	946	1054	1099	1327	1387	1385
SB 327	834		1262	1262	1317	1384	1438	1442	1438 1451
SB 328	834								

SB 329	Grants venue of specified Commonwealth cases to circuit court of normal jurisdiction. (Garrett)
SB 330	Permits appeal of Kentucky Tax Commission decisions to circuit courts other than Franklin Circuit Court. (Garrett)
SB 331	Authorizes payment to widows of policemen's and firemen's benefits. (Garrett)
SB 332	Authorizes state employment and payment of counsel in felony cases. (Garrett)
SB 333	Requires investigation of alleged election law violations. (Garrett)
SB 334	Requires presence of county attorney at meetings of election officers. (Garrett)
SB 335	Proposes constitutional amendment to exempt fallout shelters from taxation. (Garrett)
SB 336	Revises licensing provisions for psychologists. (Duffy, Ware)
SB 337	Prohibits use of loudspeakers by businesses in cities of the fourth class. (Turner)
SB 338	Exempts rural mail and star route carriers from motor carrier excise tax. (Bishop)
SB 339	Exempts children of deceased war veterans from college matriculation fees. (McCann and others)
SB 340	Revises license fee provisions for counties of 300,000 or more population. (Miller)
SB 341	Exempts motor vehicles sold to cities from the usage tax. (Garrett and others)
SB 342	Authorizes method for adjustment of property assessments in certain school districts. (Buckman)
SB 343	Revises unemployment compensation provisions. (Ware)
SB 344	Requires state purchases only from vendors located within the state. (McCann)
SB 345	Requires appointment of County Building Commissions. (Turner)
SB 346	Requires publication of name of author of newspaper editorials. (McCann)
SB 347	Requires selection of alternate election commissioners. (Ware)
SB 348	Requires removal of public utility property conflicting with metropolitan sewer district expansion. (Kinkead, Turner)
SB 349	Removes requirement for Franklin Circuit Court review of unemployment compensation benefits. (Raney)
SB 350	Limits amount allowed as rental for polling places. (McCann)
SB 351	Authorizes agreements for operation of Breaks Interstate Park. (Raney)

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 329	901		1108	1140	1232	1282			
SB 330	901		1108	1140	1232	1282			
SB 331	901		1039	1041	1075	1274			
SB 332	901								
SB 333	901								
SB 334	901								
SB 335	901								
SB 336	901								
SB 337	903		1108	1118	1232				
SB 338	903								
SB 339	903								
SB 340	903								
SB 341	1036								
SB 342	1037		1061	1070	1098	1154	1286	1407	
SB 343	1037		1083	1083	1153	1276	1422	1435	
SB 344	1037		1245	1251	1274				
SB 345	1061		1108	1119	1232	1323	1438	1442	
SB 346	1061								
SB 347	1061		1083	1088	1153	1241	1406	1415	
SB 348	1080		1108	1118	1232	1279	1438	1442	
SB 349	1082		1164	1230	1257	1284			
SB 350	1082								
SB 351	1082		1164	1231	1257				

SB 352	Allows certain circuit judges full service credit for portions of months of service. (Johnson)
SB 353	Defines and requires special licensing for historical motor vehicles. (Conley, Garnett)
SB 354	Establishes the Kentucky Uniform Administrative Procedure Act. (Garnett)
SB 355	Prohibits sterilization for purposes of artificial birth control. (McCann)
SB 356	Bases compensation for specified state services on studies of comparison with similar services elsewhere. (Kinkead)
SB 357	Prohibits issuance of license to cosmetology schools in certain cities. (Ware)
SB 358	Prohibits issuance of license to barber schools in certain cities. (Ware)
SB 359	Authorizes motion for trial by convicted felons against whom other action is pending. (Ware)
SB 360	Authorizes purchase of group life insurance for state employees. (Ware)
SB 361	Authorizes compensation of specified health employees beyond statutory limitation. (Ware)
SB 362	Reduces penalty for violation of certain hunting and fishing laws. (Nichols)
SB 363	Enacts a bingo licensure law. (Hehl)
SB 364	Deletes requirement that state agencies must approve attorneys employed for them by the Attorney General. (Ware)
SB 365	Authorizes promulgation of boating safety regulations by the Division of Boating. (Garrett)
SB 366	Authorizes fiscal court payment of bounty for foxes. (McCann)
SB 367	Proposes a constitutional amendment to remove salary limits for public employees. (Ware)
SB 368	Proposes a constitutional amendment to provide for continuity of state government in time of emergency. (Ware)
SB 369	Prohibits aircraft noise or damage actions without notice to counties, cities or airboards. (Johnson, Ware)
SB 370	Requires counties to bear one half of costs of state audits. (Ware)
SB 371	Requires licensing of water well drilling contractors. (Ware)

	Introduced	Referred	Reported	Readings			House Message	Enrolled	Other Action
				1st	2nd	3rd			
SB 352	1082		1108	1138	1232				
SB 353	1102								
SB 354	1107		1164	1202	1257				
SB 355	1107		1164	1221	1257	1284			1284
SB 356	1107		1164	1220	1257	1277	1435	1442	1436
SB 357	1107								
SB 358	1107		1262	1272	1317				
SB 359	1107		1164	1173	1256				
SB 360	1107		1164	1174	1256	1284	1422	1435	
SB 361	1108		1245	1248	1274				
SB 362	1108		1245	1252	1274	1322			
SB 363	1108		1164	1177	1256	1280			
SB 364	1108								
SB 365	1160								
SB 366	1162		1164	1232	1257				1407
SB 367	1162		1164	1231	1257	1384	1438	1442	
SB 368	1162		1164	1230	1257	1323			
SB 369	1242		1245	1245	1274	1320			
SB 370	1242		1245	1245	1274	1321	1438	1442	
SB 371	1242		1245	1246	1274				

HISTORY OF SENATE RESOLUTIONS

Numbers refer to page of Senate Journal. Text of resolution is given on first reading or adoption. Joint resolutions are designated **SJR**; concurrent resolutions are designated **SCR**.

SR	1	Invites pastors to open sessions with prayer. (Ware)
SR	2	Adopts rules of 1960 temporarily. (Ware)
SR	3	Establishes a special committee on rules. (Ware)
SR	4	Provides a committee to wait upon the Governor. (Ware)
SR	5	Urges selection of Northern Kentucky site for Internal Revenue Service Center. (Hehl and others)
SCR	6	Adjourns Wednesday, January 3, 1962, until Monday, January 8, 1962. (Ware)
SJR	7	Adjourns in memory of Spencer Lamar Cobb. (Garrett and others)
SJR	8	Selects committee to investigate constitutional convention campaign. (Logan)
SJR	9	Orders a study of teachers' retirement benefits. (McCann)
SJR	10	Establishes a Joint Committee on State Government Operations. (Ware)
SCR	11	Requires use of surplus veterans bonus funds to retire bonds therefor. (McGinty and others)
SR	12	Congratulates Kenton and Boone Counties on fifteenth anniversary of the Greater Cincinnati Airport. (Ware, Kidwell)
SCR	13	Adjourns in memory of Luther K. Rice. (Kelly)
SR	14	Memorializes Congress to stop foreign aid to Communist countries. (Johnson)
SR	15	Requests itemization of sums spent by the Speaker of the House. (Johnson)
SR	16	Congratulates the City of Jenkins and the Jenkins Public Library. (Craft)
SJR	17	Authorizes reimbursement of Frank De Rossett. (Martin)
SJR	18	Requires that all lobbyists wear identification tags. (McCann, Gardner)
SCR	19	Opposes subjection of state and local bonds to federal taxation. (Edwards)
SR	20	Requests investigation of bribery charges by Senator from 31st District. (Raney)
SR	21	Supports the reopening of the Harlan office of the Veterans Administration. (Johnson)
SJR	22	Orders payment of expenses of General Assembly members on official business. (Kelly)
SR	23	Requests a limit on aid to dependent children to one illegitimate child per mother. (Kelly)

		Introduced	Referred	Reported		Readings		Adopted	House Message	Enrolled	Other Action
					1st	2nd	3rd				
SR	1	6						6			
SR	2	6						6			
SR	3	6						6			
SR	4	7						7			
SR	5	19						20			
SR	6	20						20	37		
SR	7	20						22	65		
SJR	8	22	61	1405							401
SJR	9	41	61								
SJR	10	41	61	1405							
SCR	11	60	61								
SR	12	66						68			
SCR	13	66						67	85		
SR	14	72	76	409				640			639
SR	15	78						78			
SR	16	78						79			
SJR	17	78	122	124	124	134	138	138	1286	1407	
SJR	18	78	122	579							
SCR	19	78	122	133	133	138		147	785		
SR	20	135	139	146	146			147			
SR	21	137						137			
SJR	22	145	401	1083	1096	1153					
SR	23	145									

SR	24	Requests refusal of denial to radio stations the right to begin operations earlier than legal sunrise. (Johnson)
SR	25	Urges a federal pension system for substitute mail carriers. (White)
SJR	26	Orders full compensation to Senator Hazel Cobb. (Kiser)
SR	27	Orders investigation of charge that 31st District Senate Seat vacated. (Logan)
SJR	28	Appropriates funds to the Commission on Public Education. (Ware)
SR	29	Requests use of ASC records in tobacco production program. (Kidwell)
SCR	30	Requests incorporation of safety devices on motor vehicles. (Duffy and others)
SR	31	Moves to reverse the order of the Senate roll call. (Logan)
SR	32	Resolves to change the name of the Senator from Harlan County. (Logan)
SR	33	Denounces the proposed increase in postal rates. (Kiser)
SR	34	Adjourns in memory of Joseph H. Dressman. (Ware)
SR	35	Recognizes Senator Tom Raney as qualified Senator from the 31st District. (Buckman)
SR	36	Requests construction of a Central Kentucky Toll Road. (Hickerson and others)
SR	37	Requests inquiry into Department of Highways truck purchase agreement. (Logan)
SR	38	Urges tobacco growers to vote on marketing quota referendum. (Edwards, Hickerson)
SJR	39	Requires payment of expenses involved in contested seat for the 18th District. (Duffy and others)
SR	40	Requests extension of boundaries of Cumberland Gap National Park. (Johnson and others)
SR	41	Requests inclusion of fish and wildlife employees in the state retirement system. (Johnson)
SJR	42	Requests feasibility study of waterway from the Ohio River to the Great Lakes. (Miller, Overbey)
SR	43	Requests installation of an automatic Senate roll call system. (Kinkead)
SCR	44	Adjourns on Wednesday, February 21, 1962, until Monday, February 26, 1962. (Ware)
SR	45	Commends the Department of Public Safety. (Buchman)
SCR	46	Requests study of state agency organization and management services. (McGinty, Miller)
SR	47	Orders consistent policy by the Joint Committee on State Government Operations. (Gardner)

		Introduced	Referred	Reported	Readings			Adopted	House Message	Enrolled	Other Action
					1st	2nd	3rd				
SR	24	153						154			
SR	25	154						155			
SJR	26	158	195	242	369	408	468	468	812	897	
SR	27	158	195								
SJR	28	163	401	495, 799	495, 799	579, 827	645, 900	900	1432	1437	158 455 645 1434
SR	29	163						163			
SCR	30	400	585								
SR	31	402	585								
SR	32	458									
SR	33	461						461			
SR	34	464						464			
SR	35	472						473			
SR	36	504						504			
SR	37	504									580
SR	38	592						592			
SJR	39	637	810	834	882	1031	1056	1056	1422	1435	
SR	40	650						651			
SR	41	651						651			
SJR	42	655	810								
SR	43	656	810								
SCR	44	669						669	785		
SR	45	669						669			
SCR	46	792		1039	1039	1075					
SR	47	792						792			

SJR	48	Requests a study of election laws. (Duffy and others)
SR	49	Orders a study of apportionment of highway costs among users thereof. (Howard)
SR	50	Requests a study of flood control measures on Salt River. (Buckman)
SR	51	Orders payment of compensation to Senator Tom Raney. (Buckman)
SR	52	Extends sympathy to the family of Edwin C. Dawson. (Hickerson, Kidwell)
SR	53	Urges establishment of the Red River Dam. (Kelly)
SR	54	Requests establishment of a state park at Fort Jefferson, Ballard County. (Garrett)
SR	55	Congratulates Morehead and Murray State Colleges. (Overbey, Kelly)
SR	56	Expresses appreciation to the Ford Motor Company. (Garnett)
SR	57	Requests necessary legislation for utilization of the Licking River Basin. (Ware, Hehl)
SCR	58	Orders a study of automobile financial responsibility. (Howard, Duffy)
SR	59	Orders the Commissioner of Highways to appear before the Senate for interrogation. (Kiser)
SJR	60	Appropriates funds to the Division of Civil Air Patrol. (Ware)
SJR	61	Orders and appropriates funds for a study of planning and zoning. (Howard)
SJR	62	Orders compensation of Senator Tom Raney. (Ware)
SJR	63	Authorizes state participation in acquisition of land for Cumberland Gap Park. (Ware)
SJR	64	Cedes jurisdiction over correctional institute area at Ashland to the federal government. (Ware)
SR	65	Commends Senator Herbert T. Derickson, and expresses regret on his illness. (Johnson)
SR	66	Requests assistance under the Area Redevelopment program. (Gardner)
SJR	67	Denies General Assembly intent to prohibit owner-installation of plumbing fixtures. (Kelly)
SR	68	Commends Howard Lee Van Arsdale for his conservation efforts. (Johnson)
SR	69	Urges construction of the Allegheny Parkway. (Johnson and others)
SR	70	Requires Civil Air Patrol appropriations be apportioned among units. (Johnson)
SJR	71	Commends the Kentucky Welfare Association. (Buckman)

		Introduced	Referred	Reported	Readings			Adopted	House Message	Enrolled	Other Action
					1st	2nd	3rd				
SJR	**48**	901						1155	1406	1415	
SR	**49**	901						906			
SR	**50**	903						909			
SR	**51**	903						905			
SR	**52**	903						904			
SR	**53**	906						906			
SR	**54**	906						907			
SR	**55**	907						908			
SR	**56**	909						910			
SR	**57**	1037						1038			
SCR	**58**	1082						1083	1422	1435	
SR	**59**	1106						1107			
SJR	**60**	1108		1164	1174	1256	1278	1278	1438	1442	
SJR	**61**	1108		1164	1219	1257	1283	1283	1438	1442	
SJR	**62**	1108		1164	1175	1256	1278	1278	1422	1435	
SJR	**63**	1160		1164	1175	1256	1278	1278	1422	1435	
SJR	**64**	1160		1164	1176	1256	1278	1278	1422	1435	
SR	**65**	1160						1161			
SR	**66**	1243									
SJR	**67**	1261									
SR	**68**	1285									
SR	**69**	1285									
SR	**70**	1285									
SJR	**71**	1323									

SCR	72	Proclaims February as American History Month in Kentucky. (Swope, Johnson)
SCR	73	Requests refund of portion of federal excise tax on distilled spirits. (Swope)
SCR	74	Continues the Advisory Committee on Administrative Law, of the Legislative Research Commission. (Garnett)

	Introduced	Referred	Reported	Readings			Adopted	House Message	Enrolled	Other Action
				1st	2nd	3rd				
SCR 72	1323									
SCR 73	1323									
SCR 74	1448						1449			

HISTORY OF HOUSE BILLS

Numbers refer to page of Senate Journal. The text of bill is given on 1st reading.

HB	3	Increases teachers' retirement allowance.
HB	5	Revises Greenup and Lewis County Circuit Court terms.
HB	7	Reclassifies Hindman from the sixth to the fifth class of cities.
HB	8	Designates a meeting place for trustees in cities of the sixth class.
HB	9	Authorizes additional judges for the Sixth, Sixteenth and Twenty-Second Circuit Court Districts.
HB	10	Requires seat belt attachments on new motor vehicles.
HB	14	Permits voters in polls at closing time to vote.
HB	17	Revises absent voting provisions.
HB	19	Limits hours of policemen in cities of the third class.
HB	21	Requires written report by investigators of theater admissions.
HB	23	Extends time for filing veterans' bonus applications.
HB	26	Extends time for filing veterans' bonus applications.
HB	35	Lowers the age of majority to 18 years.
HB	40	Biennial appropriation act.
HB	46	Enacts the Uniform Act on Paternity.
HB	50	Credits certain occupational tax revenues to sinking fund in cities of the first class.
HB	51	Extends time for validity of motor vehicle instruction permits.
HB	55	Changes expiration date for city licenses.
HB	56	Extends range of territory serviceable by city water systems.
HB	57	Removes surface drain authority from metropolitan sewer districts.
HB	60	Authorizes special motor vehicle license plates.
HB	61	Exempts certain nonprofit cemetery income from taxation.
HB	62	Authorizes scientific tests as evidence in criminal proceedings.
HB	65	Establishes provisions making circuit judges Special Commissioners of the Court of Appeals.
HB	68	Reclassifies Muldraugh from the sixth to the fifth class of cities.
HB	70	Deletes prohibition of testimony against spouse.
HB	71	Deletes fees for guardian ad litem or warning order attorney.
HB	72	Removes limit on State Bar Association fee.
HB	73	Requires preparer's endorsement on instruments conveying property.

		House Message	Referred	Reported	Readings			Enrolled	Other Action
					1st	2nd	3rd		
HB	**3**	645	811						
HB	**5**	141	161	602	602	632	788	897	
HB	**7**	85	122	123	123	134	138	143	
HB	**8**	402	585	772	779	810	1258	1283	
HB	**9**	834		910	962	1054	1232	1407	
HB	**10**	586	652						
HB	**14**	655	811						
HB	**17**	402	585	689	748	810	1410	1437	
HB	**19**	402	585	769	770	810	828	1054	
HB	**21**	132	140	405	405	457	638	650	
HB	**23**	1106		1164	1168	1256	1384	1437	
HB	**26**	1038							
HB	**35**	645	811						
HB	**40**	85	85	87	87	129	134	140	
HB	**46**	812		1331	1336	1409			
HB	**50**	1327							
HB	**51**	141	161						
HB	**55**	586	652	772	780	810	1329	1407	
HB	**56**	586	652	1286	1304	1383	1443	1447	
HB	**57**	194	401	405	405	457	466	582	
HB	**60**	593	652	910	982	1054			
HB	**61**	1283							
HB	**62**	132	140	1061	1074	1098	1447		1448
HB	**65**	156	195	215	216	408	460	469	
HB	**68**	586	652						
HB	**70**	655	811	1388	1401	1409			
HB	**71**	132	139	506	509	587	664	810	
HB	**72**	132	140	142	142	147	156	161	
HB	**73**	141	161	409	417	457	639	650	

HB 74	Revises the Code of Practice in Criminal Cases.
HB 75	Changes date of succession to office by officers in cities of the third class.
HB 76	Extends time for appeals from Kentucky Tax Commission decisions.
HB 77	Revises county finance provisions.
HB 78	Requires soil conservation district supervisors to be resident in county from which elected.
HB 79	Requires watershed district director nominating petitions to be filed within 30 days after creation of the district.
HB 81	Prohibits immediate taxation by cities of newly annexed territory.
HB 82	Changes motor vehicle assessment date.
HB 85	Requires tobacco warehouse fee and rate schedules.
HB 86	Authorizes per diem for all board of education members.
HB 88	Exempts first $3,000 of income from taxation for certain servicemen.
HB 91	Increases tax on original actions in circuit court.
HB 94	Provides penalty for failure to yield telephone in emergency.
HB 95	Establishes election provisions for rural telephone cooperative trustees.
HB 97	Authorizes establishment of professional service associations.
HB 101	Revises State Employees Retirement System provisions.
HB 102	Revises County Employees Retirement System provisions.
HB 103	Revises State Police Retirement System provisions.
HB 104	Provides penalty for failure of counties to acquire voting machines.
HB 108	Authorizes assistants for county law librarians.
HB 113	Authorizes liability insurance for state employees' motor vehicles while on official business.
HB 115	Repeals tax on individually earned income.
HB 117	Creates a Board of Boiler Rules.
HB 118	Revises Trimble County Circuit Court terms.
HB 121	Authorizes survey of opportunities for vending stands for the blind on state property.
HB 122	Authorizes creation of mosquito control districts.
HB 124	Adopts federal Social Security Act and regulations for public assistance purposes.
HB 125	Permits political subdivision employees to obtain social security.
HB 126	Establishes an office for the Speaker of the House of Representatives.

		House Message	Referred	Reported	Readings 1st	2nd	3rd	Enrolled	Other Action
HB	74	785		910	984	1054	1324	1437	
HB	75	156	195	215	220	408	634	650	
HB	76	141	161	506	507	587	663	810	
HB	77	141	161	166	179	400	633	650	
HB	78	141	161	406	406	457	638	650	
HB	79	141	161	403	404	457	638	650	
HB	81	141	161	166	194	400	634	650	
HB	82	141	161	166	186	400	634	650	
HB	85	141	161	403	403	457	644	788	
HB	86	462	585	595	595	632	787	897	
HB	88	1155							
HB	91	156	195	215	221	408	462	469	
HB	94	812		1262	1268	1317	1443	1447	
HB	95	586	652	1262	1273	1317			
HB	97	593	652	1108	1126	1232	1430	1442	
HB	101	156	195	222	223	408	660	810	
HB	102	194	401	429	429	465	645	788	
HB	103	156	195	242	242	408	635	650	
HB	104	141	161	166	177	400	633	650	
HB	108	141	161	166	176	400	428	469	
HB	113	194	401	648	648	660	832	1054	
HB	115	1283							
HB	117	473	585	620	620	644	830	1099	
HB	118	785		1164	1220	1257	1415	1437	
HB	121	462	585	605	611	644	830	1054	
HB	122	462	585	605	605	644	789	897	
HB	124	141	161	166	175	400	632	650	
HB	125	141	161	166	166	400	408	469	
HB	126	141	195	1388	1402	1409	1437	1447	

HB 127	Prohibits malt beverage sales at less than 25 percent above cost.
HB 128	Increases maximum annual allotment for fire department aid.
HB 130	Allows state to prosecute remedies in court without posting bond.
HB 131	Grants certain education powers to the State Board of Education.
HB 132	Authorizes purchase of sites and equipment for educational television.
HB 133	Establishes a network of educational television facilities.
HB 134	Authorizes determination by the Department of Economic Security of suitability of homes for dependent children.
HB 135	Authorizes withholding of public assistance following erroneous payment.
HB 136	Authorizes public assistance to any person with whom needy children live.
HB 137	Revises definition of "needy child" for purposes of public assistance.
HB 138	Revises motor vehicle registration provisions.
HB 139	Revises motor carrier regulation provisions.
HB 140	Requires that fines for traffic violations on state highways be credited to the Department of Highways.
HB 141	Permits appointment of replacement for engineer on city-county planning commissions.
HB 145	Revises Teachers Retirement System provisions.
HB 146	Establishes program to promote housing for the aged.
HB 148	Requires annual inspection of school busses by State Police.
HB 152	Establishes conditions for involuntary manslaughter in the first degree.
HB 153	Exempts charitable donated cigarettes from the excise tax.
HB 155	Requires selection of jurors from county tax records.
HB 156	Authorizes state funds for livestock exhibits.
HB 158	Changes name of slum clearance and development agency.
HB 159	Authorizes auxiliary county police forces.
HB 161	Provides for county use of tuberculosis sanatorium property.
HB 164	Revises juvenile court provisions.
HB 166	Includes school administrative personnel in teachers' sick leave provisions.
HB 167	Authorizes voting in county of former residence until eligible in county of residence.
HB 169	Requires newspaper advertisement of sales of public property in specified manner.
HB 171	Requires photograph on motor vehicle operator's license and increases fee therefor.

	House Message	Referred	Reported	Readings			Enrolled	Other Action
				1st	2nd	3rd		
HB 127	834							
HB 128	834		910	962	1054	1261	1283	
HB 130	156	195	242	243	408	635	650	
HB 131	156	195	242	243	408	462	469	
HB 132	156	195	242	246	408	580	639	
HB 133	156	195	242	250	408	581	639	
HB 134	156	195	242	256	408	636	650	
HB 135	156	195	242	259	408	636	650	
HB 136	156	195	215	221	408	634	650	
HB 137	156	195	242	258	408	636	650	
HB 138	156	195	242	260	408	661	810	
HB 139	402	585	612	612	644	661	810	
HB 140	812		1039	1053	1075	1429	1442	
HB 141	156	195	242	278	408	637	650	
HB 145	194	401	561	561	587	786	897	
HB 146	156	195	242	280	408	637	650	
HB 148	655	810						
HB 152	586	652	784	784	810	1098	1155	
HB 153	1106		1164	1168	1256	1428	1442	
HB 155	812		1286	1293	1383			
HB 156	1155		1164	1164	1256	1328	1437	
HB 158	156	195	200	200	408	635	650	
HB 159	156	195	200	202	408	636	650	
HB 161	655	810	1061	1061	1098	1259	1283	
HB 164	655	811						
HB 166	462	585						
HB 167	655	810						
HB 169	785		1245	1250	1274			
HB 171	1155		1164	1198	1257			

HB 172	Requires designation of voting machine storage place by county clerk.
HB 173	Reclassifies Campbellsville from the sixth to the third class of cities.
HB 175	Authorizes receipt and public use of donated property by cities of the fourth class.
HB 183	Appropriates funds to Department of Agriculture for payment of premiums in purebred cattle shows.
HB 185	Revises truck weight and size limitations.
HB 186	Prohibits billboard advertising of alcoholic beverages.
HB 187	Applies certain restrictions on operating motor vehicles near fire fighting equipment.
HB 188	Increases salaries of Commonwealth's Attorney district detectives.
HB 191	Reclassifies Radcliff from the sixth to the fifth class of cities.
HB 194	Removes limits on fees and salaries paid county attorneys and assistants.
HB 196	Stipulates that bills passed by General Assembly contain deleted material in brackets.
HB 197	Repeals penalty for grazing livestock on state land near either state capitol.
HB 198	Grants occupational disability pension to certain disabled firemen.
HB 199	Authorizes payment by circuit judges into special circuit judge retirement fund.
HB 200	Authorizes maintenance of law libraries by counties containing cities of the fifth and sixth classes.
HB 202	Extends social security coverage to all public employees.
HB 205	Deletes the 200 acre size limit on Boonesboro State Park.
HB 207	Authorizes recommendation for removal of school employees by State Board of Education or Superintendent of Public Instruction; imposes regulations by state on public education system.
HB 208	Establishes a Professional Practices Commission for education personnel.
HB 210	Redefines grand and petit larceny limitations.
HB 211	Revises school bus purchase provisions.
HB 213	Authorizes appointment of building inspectors by counties containing cities of the second class.
HB 215	Revises provisions to determine prevailing wages on public projects.
HB 216	Revises Fourteenth Circuit Court District terms.
HB 219	Includes brucellosis and leptospirosis in communicable diseases of livestock.

	House Message	Referred	Reported	Readings			Enrolled	Other Action
				1st	2nd	3rd		
HB 172	812		1108	1109	1232			
HB 173	586	652						
HB 175	402	463	465	465	502	579	639	
HB 183	834		1108	1109	1232	1329	1437	
HB 185	593	652	689	746	810	1059	1099	
HB 186	1387							
HB 187	586	652	1245	1250	1274			
HB 188	194	401	506	506	587	663	810	
HB 191	834		910	961	1054	1411	1437	
HB 194	645	810	1108	1139	1232	1413	1437	
HB 196	194	401	501	501	579	646	788	
HB 197	834							
HB 198	586	652	1286	1303	1383			
HB 199	812		1061	1072	1098			
HB 200	645	810	1388	1403	1409			
HB 202	1155							
HB 205	834		910	961	1054			
HB 207	586	652	671	672	810	1274	1327	
HB 208	645	810	1061	1062	1098	1275	1327	
HB 210	586	652	784	784	810	1261	1283	
HB 211	1283							
HB 213	655	810	1061	1068	1098	1430	1442	
HB 215	580	604						1037
HB 216	812		1164	1199	1257	1413	1437	
HB 219	1155		1164	1166	1256	1329	1407	

HB 220	Provides for payment of fees and expenses of deceased sheriff.
HB 223	Defines motor vehicle retail price for tax purposes.
HB 224	Revises cigarette tax provisions.
HB 225	Authorizes bond in lieu of tax prepayment for alcoholic beverage dealers.
HB 227	Revises state income tax computation provisions.
HB 228	Revises inheritance and estate tax provisions.
HB 229	Revises corporation license tax provisions.
HB 230	Prohibits unscreened junkyards within 2000 feet of highways.
HB 231	Appropriates funds to pay specified claims against the state.
HB 232	Appropriated funds to carry out school district audit provisions of House Bill 207.
HB 233	Authorizes eminent domain for rural electric cooperatives.
HB 234	Creates a University of Kentucky Community College system.
HB 235	Requires that copies of administrative regulations be sent county law libraries.
HB 236	Requires immunization of children against specified communicable diseases.
HB 239	Establishes minimum annual compensation for guardians of veterans.
HB 240	Establishes licensing provisions for auctioneers.
HB 241	Requires insurance coverage for State Police motor vehicles.
HB 242	Permits bond against damages by juveniles on probation.
HB 247	Authorizes branch banks in county adjacent to main office.
HB 248	Exempts coal trucks from motor carrier weight taxes.
HB 251	Increases service fees allowed sheriffs.
HB 252	Increases prisoner apprehension fees allowed sheriffs and peace officers.
HB 253	Increases mileage allowances for sheriffs and deputies.
HB 254	Increases tax collection fees allowed sheriffs.
HB 256	Prohibits recruiting or supplying labor to firms involved in labor disputes.
HB 262	Divides fire departments in cities of the second class into two or more platoons.
HB 263	Deletes the prohibition of appearing on streets and highways in bathing wear.
HB 264	Allows State Police Retirement System credit for military duty.
HB 266	Extends time in which common carriers may bring action on charges.
HB 271	Creates a Continuing Committee on Governmental Affairs of the General Assembly.

	House Message	Referred	Reported	Readings			Enrolled	Other Action
				1st	2nd	3rd		
HB 220	812		1164	1195	1256			
HB 223	586	652	689	691	810	1033		1034
HB 244	586	652	689	693	810	1034	1099	
HB 225	586	652	689	705	810	1034	1099	
HB 227	593	652	689	720	810	1077	1276	
HB 228	655	810	910	964	1054	1077	1155	
HB 229	586	652	689	732	810	1080	1155	
HB 230	462	585	689	716	810	1387	1437	
HB 231	462	585	605	610	644	829	1054	
HB 232	586	652	689	716	810	1275	1327	
HB 233	462	585	605	610	644	829	1054	
HB 234	586	641	647	647	660	786	897	
HB 235	645	810	1245	1255	1274			
HB 236	586	652	769	771	810	1080	1155	
HB 239	812		910	937	1054	1328	1407	
HB 240	655	811	1108	1142	1232	1417	1437	
HB 241	462	585	799	799	827	1432	1447	
HB 242	645	811						
HB 247	812		910	979	1054	1259	1283	
HB 248	586	652	795	795	827	1035	1099	
HB 251	1243		1286	1294	1383	1427	1442	
HB 252	1243		1286	1296	1383	1418	1437	
HB 253	1243		1286	1297	1383	1418	1437	
HB 254	1286		1286	1297	1383	1418	1437	
HB 256	1326							
HB 262	785		1164	1195	1257	1445	1447	1082
HB 263	812							
HB 264	655	810	910	983	1054	1158	1276	
HB 266	655	811	1286	1316	1383			
HB 271	593	652						

HB 272	Imposes a tax on gross receipts of closed circuit televised athletic events.
HB 273	Relieves county officers of fee liability after funds placed in proper depository.
HB 274	Provides for payment of costs associated with estates of decedents.
HB 278	Provides penalty for failure to file license fee returns in counties of over 300,000.
HB 279	Provides penalty for default on payment of license taxes in counties of over 300,000.
HB 280	Requires stenographic reporters for circuit judges of districts of more than one county.
HB 282	Increases Commonwealth's Attorney state expense allowance.
HB 284	Permits married women over 18 years to execute contracts.
HB 285	Levies an ad valorem tax on housetrailers.
HB 291	Removes penalty for willful obstruction of street railway tracks.
HB 293	Reclassifies St. Regis Park from the sixth to the fifth class of cities.
HB 294	Increases benefits to widows of police and firemen in cities of the third class.
HB 296	Revises provision concerning the Adjutant General and Department of Military Affairs.
HB 297	Abolishes the office of city attorney in cities of the first class.
HB 299	Allows attorney's fees to claimants recovering judgments.
HB 301	Authorizes sewer construction districts to annex territory.
HB 303	Requires all employers to furnish employees with wage deduction statements.
HB 305	Removes provisions on effect of forgery on the forged instrument.
HB 307	Revises credit union regulation provisions.
HB 309	Authorizes state agreement to the Tennessee-Tombigbee Waterway Compact.
HB 314	Requires gas service by companies with producing wells in counties with cities of the fourth, fifth or sixth class.
HB 315	Reclassifies Manchester from the fifth to the fourth class of cities.
HB 318	Permits appeal only from refusal by urban renewal agencies.
HB 319	Removes penalty for thefts from private landings by shanty boat occupants.
HB 321	Revises egg marketing license provisions.
HB 328	Revises Workmen's Compensation provisions.
HB 329	Permits counties to issue industrial development bonds.

	House Message	Referred	Reported	Readings			Enrolled	Other Action
				1st	2nd	3rd		
HB 272	586	652	689	739	810	1414	1437	
HB 273	586	652	689	740	810	1414	1437	
HB 274	645	811	1061	1074	1098	1330	1437	
HB 278	655	811	1164	1200	1257			
HB 279	655	811	1164	1201	1257			
HB 280	785		1108	1153	1232	1417	1437	
HB 282	785		1083	1089	1153	1279	1407	
HB 284	1283		1331	1338	1409			
HB 285	812		1061	1063	1098	1260	1437	
HB 291	812							
HB 293	834		910	961	1054			
HB 294	785		1083	1090	1153			
HB 296	586	652	689	741	810	1432	1442	
HB 297	655	810	1108	1141	1232	1415	1437	
HB 299	1283							
HB 301	1106		1245	1255	1274	1444	1447	
HB 303	834							
HB 305	812							
HB 307	834		1164	1214	1257	1421	1442	
HB 309	812		1108	1150	1232	1438		1447
HB 314	812							
HB 315	834		1039	1040	1075	1411	1437	
HB 318	785		1164	1222	1257	1420	1437	
HB 319	812							
HB 321	645	811	910	923	1054	1156	1276	
HB 328	1283		1286	1286	1383	1410	1437	
HB 329	645	810	910	976	1054	1258	1283	

HB 332	Increases circuit clerk's fee for felony prosecutions.
HB 334	Reapportions counties in the Seventh and Eighth Judicial Districts; creates the Forty-Ninth Judicial District.
HB 337	Increases Jailers' fees.
HB 340	Revises property value necessary for appointment of deputy county tax commissioners.
HB 343	Permits establishment of county children's bureaus.
HB 344	Authorizes minors to borrow funds for higher education.
HB 347	Establishes penalty for abandoning junked motor vehicles on highways.
HB 353	Requires licenses to operate day-care centers for children.
HB 354	Provides penalty for traffic in obscene literature.
HB 355	Requires organization of boards of trade at tobacco warehouses.
HB 356	Revises terms of the Boyle County Circuit Court.
HB 358	Requires provisional motor vehicle operator's license for persons 16 to 18 years of age.
HB 360	Requires explanatory attachment to revenue legislation.
HB 361	Revises business development corporation loan provisions.
HB 362	Prohibits carriers to pay charges of transporting labor organization vehicles.
HB 363	Deletes penalty for unauthorized possession of federal food or cotton stamps.
HB 364	Permits campaign for board of education membership by declaring with county clerk.
HB 366	Prohibits possession of untaxpaid alcoholic beverages.
HB 369	Creates county Extension Districts.
HB 370	Revises city planning and zoning provisions.
HB 374	Increases wages for punishment at labor.
HB 380	Revises Workmen's Compensation provisions.
HB 382	Revises terms for the First Circuit Court District.
HB 383	Prohibits registration of motor vehicles modified to increase performance.
HB 386	Permits under-age minors to marry if female is pregnant.
HB 388	Provides for preservation of archaeological sites and artifacts.
HB 394	Permits lending by specified foreign institutions without license fees.
HB 395	Revises meeting provisions of the Board of Veterinary Examiners.
HB 397	Reapportions Lyon and Todd Counties for Circuit Court District purposes.
HB 398	Permits increase in number and compensation of deputy county officers.
HB 401	Revises state purchasing provisions.

	House Message	Referred	Reported	Readings			Enrolled	Other Action
				1st	2nd	3rd		
HB 332	655	811	1286	1303	1383	1427	1442	
HB 334	812		1108	1114	1232	1422	1442	
HB 337	655	811	1286	1298	1383	1428	1442	
HB 340	1243		1388	1388	1409	1429	1442	
HB 343	1326		1331	1378	1409			
HB 344	812							
HB 347	1038		1083	1094	1153	1416	1437	
HB 353	1106		1164	1170	1256	1432	1442	
HB 354	655	810	1083	1097	1153	1413	1437	
HB 355	834		1039	1047	1075	1260	1283	
HB 356	834		910	960	1054	1283	1407	
HB 358	1243							
HB 360	1326							
HB 361	655	810	1039	1051	1075	1328	1407	
HB 362	1283		1286	1298	1383	1417	1437	
HB 363	812							
HB 364	655	810	1108	1112	1232			
HB 366	834		910	960	1054			
HB 369	834		1164	1223	1257	1437	1447	
HB 370	785		1039	1043	1075			
HB 374	1155							
HB 380	834		910	925	1054	1410	1437	
HB 382	810		910	975	1054	1412	1437	
HB 383	1326							
HB 386	1243		1245	1248	1274			
HB 388	1038		1108	1132	1232	1258	1283	1257
HB 394	1283		1286	1300	1383			
HB 395	834		1083	1093	1153	1430	1442	
HB 397	1038		1108	1116	1232			1422
HB 398	812		1061	1064	1098			
HB 401	1106							

HB 402	Revises budget filing provisions for district education boards.
HB 403	Requires registration of vehicles used on road construction.
HB 404	Revises county police force provisions.
HB 405	Provides that minimum recovery for loss-of-member under Workmen's Compensation is not a limitation on recovery.
HB 413	Requires covering of abandoned man-made excavations.
HB 414	Revises time for change in county election precinct boundaries.
HB 415	Requires credit of retailers' fees to county general fund.
HB 416	Permits Commissioner of Finance to prevent state agency deficits.
HB 417	Requires return to counties of taxes collected on property conveyance.
HB 418	Enacts standardized rules of procedure for traffic violations.
HB 419	Requires that board of education vacancies be filled in constitutional accordance with vacancies in other elective offices.
HB 422	Requires specified terms for inclusion in names of telephone cooperatives.
HB 427	Provides penalty limit for jurors accepting bribes.
HB 429	Amends Criminal Code to permit police officer to accept bail.
HB 431	Permits confiscated deadly weapons to be donated to city officers.
HB 436	Permits reopening of claims cases in progress upon Court of Appeals claims decision of 1958.
HB 437	Requires conduct of pre-session legislative conferences by the Legislative Research Commission.
HB 441	Permits establishment of riverport authorities.
HB 443	Redistricts the state into seven Congressional Districts.
HB 444	Authorizes state reimbursement to county attorneys for specified expenses.
HB 445	Specifies acceptance of guaranteed arrest bond certificates in lieu of bail in certain cases.
HB 451	Requires state purchase of ferries disrupted by bridge construction.
HB 457	Allows eminent domain to fire protection districts in counties containing cities of the first class.
HB 463	Requires annual audit of all city officers.
HB 464	Requires the Attorney General to investigate unsatisfied claims.
HB 466	Prohibits solicitation by taxicabs of business on routes covered by common carriers.

	House Message	Referred	Reported	Readings 1st	2nd	3rd	Enrolled	Other Action
HB 402	834		1262	1271	1317			
HB 403	1038		1331	1375	1409			
HB 404	812		1061	1067	1098	1260	1283	
HB 405	1155							
HB 413	812		1061	1069	1098	1260		
HB 414	812		1039	1051	1075			
HB 415	812		1039	1049	1075	1436	1447	
HB 416	812		1039	1048	1075	1275	1327	
HB 417	812		1039	1048	1075			
HB 418	1283							
HB 419	834		1108	1112	1232			
HB 422	1038		1245	1251	1274			
HB 427	1106							
HB 429	1106							
HB 431	1106							
HB 436	1155		1164	1218	1257	1413	1437	
HB 437	834		910	959	1054	1428	1442	
HB 441	1243		1286	1305	1383	1447		
HB 443	1038		1061	1071	1098	1154	1276	
HB 444	1243		1286	1292	1383	1427	1442	
HB 445	1106		1164	1197	1257	1445	1447	
HB 451	1283		1286	1309	1383	1415	1437	
HB 457	1155		1245	1254	1274	1444	1447	
HB 463	1243		1262	1270	1317			
HB 464	1155							
HB 466	1106		1245	1249	1274	1421	1442	

HB 469	Establishes procedure to levy school tax greater than limit in counties containing a city of the first class.
HB 470	Revises teachers' tenure provisions.
HB 471	Increases tax by county judge on misdemeanor convictions.
HB 473	Permits substitute teachers to teach 90 days per year.
HB 474	Removes provisions requiring separate schools for white and Negro children.
HB 475	Reclassified Benham from the sixth to the fifth class of cities.
HB 476	Appropriates funds to the General Assembly.
HB 477	Defines parents under wrongful death provisions.
HB 478	Eliminates license fee for certificates of eligibility for bidders on highway contracts.
HB 479	Requires Court of Appeals assistance on circuit court dockets.
HB 480	Requires Court of Appeals determination of all circuit court terms.
HB 481	Requires circuit court reports to Court of Appeals concerning jury activity.
HB 484	Revises provisions on the Council on Public Higher Education.
HB 487	Provides for payment of moving expenses of officially transferred state employees.
HB 488	Permits reimbursement to state officers for moving expenses incidental to official duties.
HB 490	Permits liability insurance on school driver training vehicles.
HB 492	Authorizes creation of sanitation districts in counties containing a city of the first class.
HB 493	Reclassifies Calvert City from the fifth to the fourth class of cities.
HB 495	Requires permit for causing encroachments on highways.
HB 497	Requires that political advertisements be endorsed by officers so issuing.
HB 498	Authorizes county purchase or lease of election tabulating equipment.
HB 500	Provides penalty for immoral practices with minors.
HB 501	Deletes motor vehicle passing prohibitions.
HB 502	Permits abstract publication of city ordinances.
HB 503	Increases area contiguous to cities in which trucks may operate without subjection to weight tax.
HB 504	Revises real estate salesmen's and broker's licensing provisions.
HB 507	Increases salaries of officials in cities of the second class.
HB 509	Authorizes request for state audit by certain cities.

	House Message	Referred	Reported	Readings			Enrolled	Other Action
				1st	2nd	3rd		
HB 469	1243							
HB 470	1155		1331	1331	1409			
HB 471	1243		1262	1269	1317	1411	1437	
HB 473	1243		1388	1399	1409			
HB 474	1326							
HB 475	1283							
HB 476	1038		1083	1083	1153	1233	1257	
HB 477	1243		1331	1377	1409			
HB 478	1326							
HB 479	1243		1245	1253	1274	1327	1407	
HB 480	1243		1245	1254	1274	1327	1407	
HB 481	1283		1331	1383	1409			
HB 484	1106		1164	1172	1256	1428	1442	
HB 487	1106		1286	1311	1383			
HB 488	1243		1286	1311	1383			
HB 490	1106		1245	1254	1274			
HB 492	1326		1331	1340	1409	1440		1448
HB 493	1106		1262	1270	1317	1412	1437	
HB 495	1326		1331	1338	1409	1431	1442	
HB 497	1106		1164	1200	1257	1385	1437	
HB 498	1106							
HB 500	1243							
HB 501	1243		1286	1312	1383	1416	1437	
HB 502	1155		1388	1404	1409			
HB 503	1155		1245	1249	1274			
HB 504	1326		1388	1399	1409			
HB 507	1106		1164	1196	1257	1447		1447
HB 509	1283		1331	1383	1409			

HB 511	Deletes requirement that claims against the state be presented within one year.
HB 513	Establishes licensing requirements for commercial business schools.
HB 514	Revises State Board of Podiatry provisions.
HB 519	Allows certain circuit judges full service credit for portions of months of service.
HB 520	Authorizes educational buildings for Fayette County.
HB 522	Makes watershed conservancy districts public bodies corporate.
HB 524	Revises gasoline and fuel tax provisions.
HB 531	Provides compensation for police court jurors in cities of the fourth class.
HB 532	Makes social security coverage for specified school teachers a policy of the General Assembly.
HB 533	Authorizes request by boards of education for maximum ad valorem tax increases.
HB 535	Requires forms for standard recording of school accidents.
HB 536	Requires Board of Agriculture approval of use of live virus serum.
HB 537	Excludes trucks used in soil conservation from excise taxes.
HB 541	Requires display of State Flag on all State Police barracks.
HB 543	Requires the Governor to proclaim May 1, annually, as Law Day.
HB 544	Authorizes interstate agreements concerning Breaks Interstate Park.
HB 552	Requires applicants for licensing as funeral directors to be 21 years of age.
HB 554	Permits entry on private premises for inspection concerning weights and measures provisions.
HB 555	Revises corporation net income determination provisions.
HB 560	Authorizes the promulgation of boating regulations by the Division of Boating.
HB 562	Requires licensing and bonding of motor boat fuel dealers receiving tax refund.
HB 564	Prohibits use of outside loudspeakers by businesses in cities of the fourth class.
HB 566	Prohibits loss of legal residence by action of another.
HB 567	Increases cost of items of expense for which state employees must submit receipts for reimbursement.
HB 572	Increases tax levy for pension funds of city civil service employees.
HB 573	Prohibits advertisement by licensed medical practitioners.

	House Message	Referred	Reported	Readings 1st	Readings 2nd	Readings 3rd	Enrolled	Other Action
HB 511	1283							
HB 513	1243							
HB 514	1106		1262	1264	1317	1434	1447	
HB 519	1283							
HB 520	1243							
HB 522	1243		1286	1291	1383			
HB 524	1385		1388	1390	1409	1433	1447	
HB 531	1387							
HB 532	1283							
HB 533	1243							
HB 535	1283							
HB 536	1243		1331	1376	1409			
HB 537	1283							
HB 541	1283							
HB 543	1283							
HB 544	1283		1286	1315	1383	1416	1437	
HB 552	1283		1331	1382	1409			
HB 554	1283		1286	1290	1383	1440		1440
HB 555	1283		1286	1290	1383	1429	1442	
HB 560	1283		1286	1315	1383	1443	1447	
HB 562	1387							
HB 564	1326							
HB 566	1326							
HB 567	1326		1331	1339	1409			
HB 572	1387							
HB 573	1326							

HISTORY OF HOUSE RESOLUTIONS

Numbers refer to page of House Journal. Text of resolution is given on first reading or adoption. Joint resolutions are designated HJR; concurrent resolutions are designated HCR.

HCR	**5**	Memoralizes the President to promote an Internal Revenue Service Center in Newport.
HJR	**9**	Appropriates funds to the Legislative Research Commission.
HJR	**10**	Establishes a Joint Committee on State Government Operations.
HCR	**28**	Urges competent appraisers to determine value of land for Internal Revenue Service Center.
HCR	**40**	Urges study for establishment of an agricultural college at Princeton.
HCR	**43**	Requests incorporation of safety devices on motor vehicles.
HCR	**48**	Recognizes public services by the Amateur Radio Operators of Kentucky.
HJR	**54**	Requests extension of Cumberland Gap National Park boundaries.
HJR	**56**	Authorizes reimbursement of the Harrison County court.
HCR	**68**	Recognizes Zollicoffer Park.
HR	**74**	Orders a study of life insurace reserves invested in Kentucky.
HJR	**75**	Reimburses Lawrence Lankford for damages.
HCR	**79**	Specifies that regulations under House Bill 75 of 1960 should reflect General Assembly intent.
HCR	**83**	Directs a study of exempting timberlands from taxation.
HJR	**89**	Urges rehabilitation of prisoners with public works.
HJR	**94**	Urges action to increase the supply of mathematics, science and language teachers.
HJR	**95**	Orders minimum standards for foundation fund allotments for science training.
HJR	**96**	Orders cooperation on development of uniformity in teacher training programs.
HJR	**101**	Expresses appreciation for the Legislative Prayer Fellowship Breakfast.
HCR	**109**	Expresses gratitude to the staff of the Legislative Research Commission.
HCR	**115**	Requests preparation of a uniform planning and zoning bill draft.

	House Message	Referred	Reported	Readings			Adopted	Enrolled	Other Action
				1st	2nd	3rd			
HCR 5	37						37		
HJR 9	61	62	62	62	65	70	71	76	
HJR 10	65	65	69	69	74	75	75	85	
HCR 28	143	161							
HCR 40	593	652							
HCR 43	473	585	910	1030	1054	1098	1098	1155	
HCR 48	593	652							
HJR 54	785								
HJR 56	834		910	1029	1054	1238	1238	1276	
HCR 68	1106						1409	1437	
HR 74	1106								
HJR 75	1106		1164	1176	1256	1409	1409	1437	
HCR 79	1106						1409	1437	
HCR 83	1038		1286	1310	1383				
HJR 89	1283								
HJR 94	1387								
HJR 95	1387								
HJR 96	1387								
HJR 101	1327								
HCR 109	1422								
HCR 115	1432								

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Adjournment, *see* General Assembly

Adjutant General, *see* Military Affairs

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  Administrative Law Committee, continuation of, SR 74
  Administrative Procedure Act, uniform, SB 354
  Agency as unit of state government, adoption of, SB 153
  Aging, Commission on, SB 153
  Archives and Records Commission, provisions on, SB 153
  Atomic Energy Authority, creation and purpose of, SB 326
  Attorneys employed by Attorney General, approval of, SB 364
  Business Schools Board, creation of, SB 86
  Children and Youth, Commission on, SB 153
  Committee for School District Audits, appropriation for, HB 232
  Committee for School District Audits, creation of, HB 207
  Continuing Committee on Governmental Affairs, creation of, SB 272; HB 271
  Cooperative action agreements, authorization of, SB 274
  Deficit or overdraft, prevention of, HB 416
  Educational Television Authority, creation of, HB 133
  Elections, State Board of, SB 153
  Employees, compensation of, SB 356
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  Hearings, attendance by public at, SB 164
  Occupations and Professions, Division of, SB 153
  Operation, planning and improvement of, SR 46
  Property and Buildings Commission, acquisition of television sites by, HB 132
  Records, inspection by public of, SB 164
  Regulations, administrative, distribution of to county law libraries, HB 235
  State employes, semi-monthly pay period for, SB 56
  Water Pollution Control Commission hearing officers, appointment of, SB 249

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  Alcoholic beverages, billboard advertising of, HB 186
  Misleading or deceptive, prohibition of, SB 165
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  Property sold under judgment, provisions on, HB 169

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  Comission on Aging, establishment of, SB 153
  Homes for the aged, licensing of, SB 263
  Housing care, facilities for, HB 146

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  Cattle shows, appropriation for premiums in, HB 183
  County Extension Districts, authorization of, HB 369
  Egg marketing license, requirement for, SB 152, 199
  Egg marketing, provisions on, HB 321
  Livestock diseases, control of, HB 219
  Livestock displays at local fairs, appropriation for, HB 156
  Mosquito control, provisions on, HB 122
  Soil conservation district supervisors, residency requirement for, HB 78
  Tobacco boards of trade, organization of, HB 355

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  Name of department, change in, SB 182

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  Contraband beverages, submission of title to, SB 71
  Distributors, malt beverage sales to employes and charitable organizations, SB 116
  Excise tax, distilled spirits, Federal refund of, SR 73
  Malt beverage sales at less than cost, prohibition of, HB 127
  Untaxpaid, possession of, HB 366
  Wholesaler's bond in lieu of tax prepayment, authorization of, HB 225
  Wholesalers, discrimination against by distillers, SB 268

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  Commitment application, court clerks' fees for, SB 236
  State functions concerning, administration of, SB 153

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Appropriations
  Arts and crafts loan fund, SB 111
  Budget, executive, HB 40
  Cattle shows, appropriation for premiums in, HB 183
  Civil Air Patrol, appropriation for, SR 60
  Claims against the state, HB 231
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  Committee for School District Audits, biennial, HB 232
  Committee on State Government Operations, HR 10
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  Council on Public Higher Education, occupational qualification development, SB 276
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  General Assembly, HB 476
  Kentucky Training Home, appropriation for, SB 204
  Kentucky Village, appropriation for, SB 205
  Legislative Research Commission, special expenses of, HR 9
  Livestock diseases, control of, HB 219
  Livestock displays at local fairs, HB 156
  Planning and zoning legislation, study of, SR 61

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  Raney, Senator Tom, compensation of, SR 62
  Roads and bridges, county, supplementary, SB 107
  Speaker of the House, office for, HB 126

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  Loan fund board, creation of, SB 111

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  Attorneys, County and Commonwealth's, assistance to, SB 296
  Judgments for state, investigation of, SB 295, 297; HB 464

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  Bar Association fee, removal of limit on, HB 72
  County attorney and assistants, compensation of, HB 194

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  Licensing, provisions on, HB 240

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  Branch banks, requests for, HB 247
  Commissioner, title of, SB 73
  Industrial loan companies, administration of provisions on, SB 117

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  Branch banks, provision for, HB 247
  Branches in adjacent county, authorization of, SB 273
  Capital, minimum requirements for, SB 75
  Corporate shares held in trust, dividends on, SB 74
  Holidays, provisions on, SB 77, 78
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  Schools of cosmetology, licensure of, SB 357

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  Introduced: SB 2, 4, 5, 8, 11, 14, 19, 37, 51, 103, 112, 177, 188, 197, 198, 199, 206, 227, 252, 254, 338; SR 11, 39, 40

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  Children, attendance at state schools by, SB 105
  Vending stands and machines, location of on state property, HB 121

Blue, J. Murray
  Introduced: SB 2, 82, 102, 156, 162, 175, 184, 253

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  Ferries affected by bridge construction, state purchase of, HB 451
  Fuel, license for refund eligibility, HB 562
  Offenses, appearance before magistrate following, SB 217
  Registration, fee for, SB 233
  Regulations, promulgation of, SB 365; HB 560

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  Court actions by the Commonwealth, bond for, HB 130
  Facsimile signature, authorization of, SB 25
  Political subdivision bonds, issuance and approval of, HB 77
  Public securities, designation of denomination of, SB 91
  Sites for governmental agencies, city bonds for, SB 290
  State and local, federal taxation of, SR 19

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  Public officer's fees, bond for deposit of, HB 273

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  Introduced: SB 15, 17, 18, 38, 39, 201, 339; SR 30, 39, 48

Brand, George G.
  Introduced: SB 2; SR 39

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Buckman Jr., J. D.
  Introduced: SB 2, 28, 29, 53, 107, 108, 113, 139, 140, 153, 155, 156, 162, 182, 183, 241, 281, 282, 283, 303, 304, 308, 312, 339, 342; SR 35, 36, 45, 50, 51, 71

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  Adoptions, provisions on, SB 118
  Blind, state schooling of, SB 105
  Commission on Children and Youth, establishment of, SB 153
  County bureaus, authorization of, HB 343
  Day-care centers, licensure of, HB 353
  Deaf-blind children, education for, SB 170
  Exceptional, education program for, SB 162
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  Immoral practices, penalty for, SB 321
  Juvenile court, definition as child in, SB 119
  Labor by, age for, SB 327
  Parental rights case files, inspection of, SB 27
  Parents, definition of, HB 477
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  Adoptions, provisions, SB 118
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  Boat registration, fee for, SB 233
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  Boyle County, terms of, HB 356
  Dockets, handling of, HB 479
  First District, terms in, HB 382
  Forty-Ninth District, creation of, HB 334
  Fourteenth District, terms in, HB 216
  Greenup County, commencement dates for, HB 5
  Judges, additional, authorization of, HB 9
  Judges, retirement system for, HB 65
  Jury panel reports, submission of, HB 481
  Kentucky Tax Commission decisions, appeals from, SB 330; HB 76
  Lewis County, commencement dates for, HB 5
  Lyon and Todd counties, redistricting of, HB 397
  Master commissioners, compensation of, SB 14
  Original actions, increase of tax on, HB 91
  Parental rights case files, inspection of, SB 27
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  Reporters, fees of, SB 322
  Sixteenth District, additional judge for, SB 20
  Stenographic reporters, appointment of, HB 280
  Terms and dates, establishment of, HB 480
  Terms, extension of by judges, SB 13
  Trimble County, commencement dates of, HB 118
  Workmen's Compensation cases, respondents in, SB 22

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  Benham, HB 475
  Calvert City, HB 493
  Campbellsville, SB 44; HB 173
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  Hindman, SB 1; HB 7
  Manchester, SB 198; HB 315
  Muldraugh, HB 68
  Radcliff, HB 191
  St. Regis Park, HB 293

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  Annexed territory, taxation of, HB 81
  Bonds, issuance and approval of, HB 77
  Civil service examinations, administration of, SB 115
  Codes, adoption of by reference, SB 68
  Election ballots, order of names on, SB 173
  Eminent domain beyond limits, authorization of, SB 200
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